Municipal Accounting
and
Reporting Manual

NOVA SCOTIA
Housing and Municipal Affairs

106-05092/

Regulation Made By the Minister of Housing and Municipal Affairs Pursuant to Section 451 of Chapter 18 of the Statutes of Nova Scotia, 1998, the Municipal Government Act, Repealing the Manual of Financial and Reporting Practices for Municipalities in Nova Scotia and Replacing it with the Municipal Accounting and Reporting Manual

The *Manual of Accounting and Reporting Practices for Municipalities in Nova Scotia*, as prescribed by the Minister of Municipal Affairs by regulation dated November 17, 1982, is hereby repealed and a *Municipal Accounting and Reporting Manual* in the form attached to and forming part of this regulation is hereby prescribed.

Honourable Angus MacIsaac
Minister of Housing and Municipal Affairs

Halifax, Nova Scotia
April 19, 2000

ACKNOWLEDGEMENTS

This Manual was originally published in November 1982 by the Finance and Administration Division of the Department of Municipal Affairs (now the Advisory Services Section of the Department of Housing and Municipal Affairs). The Manual was developed under the direction of Mr. E. G. Cramm, with the assistance of Mr. A. A. Cameron and Mr. T. F. LeBlanc of the department and Mr. I. D. MacInnis, CA and Mr. C. W. Hayward, FCA partners in the firm consulting on the project, Doane Raymond (now Grant Thornton). We would like to thank the following individuals, and their employers at the time, for their input in the development of this Manual:

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Since the publishing of the Municipal Accounting and Reporting Manual in 1982 annual reviews have been conducted by a committee made up of municipal officials and staff of the Department of Housing and Municipal Affairs. We would like to thank the numerous municipal officials that have contributed time out of their busy schedules to assist in the maintenance and updating of this manual.

AUTHORITY

This manual is a regulation prescribed pursuant to Section 451(1) of the Municipal Government Act as the system of accounting to be used by municipalities in the Province of Nova Scotia.

ADDITIONS AND REVISIONS

Accounting is not static. As a result periodic review and amendments to this manual will be required. All additions and revisions to this manual will be issued and identified as "manual revisions."

APPLICATION

The following accounting principles have been developed for application by Nova Scotia municipalities (including villages and service commissions) and their committees, boards, authorities or other such entities and are intended to be used in the preparation of the annual, audited financial statements.

This codification is to deal with accounting and auditing principles that apply in a unique way to Nova Scotia municipalities. The Handbooks of the Public Sector Accounting Board and the Canadian Institute of Chartered Accountants should be reviewed as the authoritative sources of guidance as to views on any matter in which this manual is silent.

The Minister of Service Nova Scotia and Municipal Relations may designate a municipality to be exempt from certain of the accounting principles contained in this manual if, in the Minister's opinion, the application of certain principles is inappropriate in light of emergency financial or operational situations confronting the municipality.

Should exemptions be granted by the Minister, these are to be disclosed in the Notes to the Financial Statements.

Where an exemption is granted by the Minister and adequate disclosure is made in the Notes of the departure from the principles outlined in this manual, the Auditor's Report is to consider the exemption appropriate for that municipality and, therefore, no qualification of the Report is required.

FUND ACCOUNTING

The accounting unit shall be the Fund which is an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances and changes therein which are segregated for purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Note:
This principle confirms that accounting on a Fund basis is fundamental. It does not impose Funds but where the accounting unit is a Fund it follows that there must be a complete set of self-balancing accounts - normally revenue, expenditure, asset and liability accounts. it is recognized, however, that in respect of Capital Funds, source and use accounts will generally replace the revenue and expenditure accounts. Further, in the case of simple Reserve Funds the "self-balancing set of accounts" requirement might be met through elementary accounts required for statements showing clearly the composition of the opening balance(s), the flows in and out by meaningful captions and the closing balance(s).

REGULATED MUNICIPAL UTILITIES ACCOUNTING

Regulated Municipal utilities that are subject to generally accepted accounting principles governing similar non-municipally owned utilities may use revenue and expenditure classifications adopted by the industry at large.

A regulated municipal utility is any utility which is regulated pursuant to a statute, including water utilities, electric utilities and gas utilities.

GOVERNMENTAL FUNDS

The following types of funds are recognized and should be used in accounting for transactions as indicated:

(i) (a) General Operating Fund or (b) "specified service" Operating Fund - in the case of all operating transactions as distinct from capital transactions.

Note:
It is the intent that the designation of Funds relating to the operations side of activities (as distinct from the capital side) be standardized as the "Operating Fund," for example, General Operating Fund, Water Operating Fund as applicable.

(ii) (a) General Capital Fund or (b) "specified service" Capital Fund - in the case of all capital transactions as distinct from operating transactions.

Note:
The intent is to have the designation of Capital Funds parallel that of corresponding Operating Funds where applicable, such as General Capital Fund, or Water Capital Fund.

(iii) Reserve Funds - in the case of transactions where there is a statutory requirement or a desire by municipal council that certain monies accruing to the municipality are to be segregated into a "Reserve" Fund for future use.

Note:

Examples of monies which must be placed into a Reserve Fund are: fire insurance proceeds, proceeds from the sale of property or equipment and any balance at year end of the capital grant paid pursuant to the Municipal Grants Act. In addition, a municipality may transfer all or any portion of a surplus from current operations into a Reserve Fund.

GOVERNMENTAL FUNDS (CONTINUED)

The Reserve Funds are made up of three classifications:

- Capital Reserve Fund
- Operating Reserve Fund
- Special Purpose Tax Reserve Fund

and will be governed by the principles set out in Section 3240, 3241 and 3242.

(iv) Sinking Fund - in the case of the particular debt repayment scheme.

Note:
Some municipalities will have a Sinking Fund in respect of their outstanding sinking fund debentures. Where a Sinking Fund is established in respect of several various purpose debentures (e.g., general, water) specific accounts within the Sinking Fund should be established.

(v) (a) General Trust Fund or (b) "Specific Purpose" Trust Fund - in the case of transactions which arise from a formal or informal trust agreement pursuant to which a municipality is accountable to third parties for the use and disposition of trust assets and for the funds derived from those trust activities.

Note:
Trust Assets are not beneficially owned by the Municipality and should be reported separately in the municipality's financial statements and should not be consolidated.

A Municipality should establish those funds as required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established

BASIS OF ACCOUNTING

Accounting for all funds should be on a modified accrual basis, which basis is full accrual except for accrued interest on long-term debt.

Note:

The intent is that full accrual accounting be the objective except:

On revenues, accruals are recognized only when the revenue becomes measurable and available to finance expenditures of the fiscal period (that is "susceptible to accrual"). Accrued revenues should not include items best dealt with on a cash basis such as fines, permits, etc.

The non-accrual of items of immaterial amounts would not be regarded as a departure from the stated principle. Significant items which have not been accrued should be disclosed in the notes to the financial statements.

BUDGET AND BUDGETARY CONTROL

An annual budget should be adopted by every municipality for all funds, and should form an integral part of the accounting system to provide a basis for budgetary control.

Budgetary comparisons should be included in the appropriate financial statements and schedules for all funds.

CLASSIFICATION OF ACCOUNTS

Except as provided in respect to utilities, municipal revenues shall be classified by Fund and source; expenditures shall be classified by Fund and function; and interfund transfers shall be classified separately from other revenues and expenditures, all in general conformity with the classification framework set out in Section 8000 - "Chart of Accounts for Nova Scotia Municipalities" and the Statistics Canada publication "A Financial Information System for Municipalities."

Note:
At the present time object classifications are not being requested or required. However, a municipality may wish to maintain accounts at an object level for financial management purposes and such accounts should be developed in accordance with "A Financial Information System for Municipalities."

The General Section Financial Statement of Operations and its supplementary schedules is to detail revenues by source and expenditures by function as set out in Section 8000 of this manual.

ACCOUNTING AND REPORTING CAPABILITIES

The municipal accounting system must make it possible to:

(a) determine and demonstrate compliance with legal provisions.

(b) maintain an adequate system of internal control.

(c) prepare financial statements that will determine fairly and fully disclose the financial operations of the municipality in conformity with this manual and accounting principles generally accepted for Nova Scotia municipalities.

Where financial statements prepared in conformity with generally accepted municipal accounting principles differ significantly from those required to reflect legal compliance, the government unit should prepare such additional notes or schedules as may be necessary to report clearly its legal compliance, responsibilities and accountabilities. In extreme cases, preparation of a separate legal-basis special report may be necessary.

Note:

a) The aim of this principle is to emphasize that there is no acceptable substitute for "generally accepted municipal accounting principles." However, since the application of such principles will not always produce the requirements of particular legislation, it may be necessary to meet the latter through specially designed statements and reports.

b) Internal control is defined as a plan of organization under which employees' duties are so arranged and records and procedures so designed as to make it possible to exercise effective accounting control over assets, liabilities, revenues and expenditures. Under such a system, the work of employees is subdivided so that no single employee performs a complete cycle of operations. Thus, for example, an employee handling cash would not post the accounts receivable records. Moreover, under such a system, the procedures to be followed are definitely laid down and require proper authorizations by designated officials for all actions to be taken.

MATERIALITY

Materiality in a particular circumstance is a matter of judgement. An accounting error (or a total of accounting errors) or the non-compliance to a legal requirement is material if the distortion could reasonably be expected to affect the decisions of an informed reader of the financial statements. This would include the ratepayers and inhabitants of a municipality, its council, the investment community and various regulatory and federal and provincial government departments who have an interest in the activities of the municipality.

The materiality concept must be applied to cases of

- non-compliance to legal requirements
- incorrect valuations (some of which may be very difficult to judge)
- incorrect classifications (which may not affect the surplus or deficit but still influence the reader)
- inadequate disclosures (of either special items or subsequent events)
- inconsistencies in accounting treatment
- uncertainties as to valuation or final outcome.

STANDARDS OF DISCLOSURE

Any information required for fair presentation of the results of operations, financial position, and cash flow, should be presented in the financial statements including notes to such statements.

Where the accounting treatment or statement presentation does not follow the accounting principles or financial disclosure recommendations set out in this Manual, the practice used should be explained in the notes to the financial statement with an indication of the reason why the recommendation concerned was not followed.

Financial statements should be prepared in such form and use such terminology and classification of items that significant information is readily understandable. Items, not significant in themselves, should be grouped with such other items as most closely approximating their nature.

Where the basis of valuation of assets is not self-evident, the basis should be explicitly stated.

Recommendations need not be applied to immaterial items.

When applying this principle, consideration should be given, for example, to the dollar value of particular types of revenue and expenditure in relation to total revenues or expenditures and to the nature of the transaction, i.e., in the normal course of municipal activities or one that is unusual to municipal activities.

ANNUAL FINANCIAL STATEMENTS

Every municipality shall prepare as a minimum the financial statements which are required by legislation for each fund or activity administered by the council and for each fund or activity where the control is apparent or implied in the council. This includes funds which are administered for or on behalf of the council by another entity.

Mandatory

(a) a statement of operations
(b) an operating fund balance sheet
(c) a capital and loan fund balance sheet
(d) a continuity of operating fund surplus or deficit account and a continuity of investment in capital assets account
(e) a statement of capital financing (a statement of source and application of capital funds
(f) notes to each set of financial statements prepared.

Recommended

(g) a consolidated statement of operations
(h) a consolidated balance sheet
(i) a consolidated statement of cash flow
(j) notes to the consolidated financial statements.

In those situations where a municipal council decides not to prepare consolidated financial statements, the Notes which would otherwise be included in the consolidated financial statements are to be included in the financial statements prepared for the general operations of the municipality.

The financial statement presentation is to follow the format reflected in Sections 7010 - 7450 - Sample Financial Statements.

Note:
The following sections of this manual refer to consolidated financial statements. In those situations where consolidated financial statements are not to be prepared, the sections will still apply to the general operating fund financial statements unless otherwise noted.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Notes to the consolidated financial statements should include, in addition to items required by other recommendations:

- A description of the significant accounting policies and principles used in the preparation of the related financial statements.
- A listing of the entities that are consolidated and those not included in the statements but in which the municipality has a financial interest.
- Information on contingencies, commitments and contractual obligations.
- Where deemed necessary for fair presentation, additional description, monetary amounts and, where applicable, market values of assets included on the balance sheet(s).
- Where restrictions apply to any of the assets that distinguish them from other assets, the restrictions should be stated.
- Where deemed necessary for fair presentation, additional descriptions, monetary amounts, maturity dates of liabilities included on the balance sheet(s).
- Information to satisfy legal, regulatory and contractual requirements where not otherwise provided.
- Descriptions of significant changes in accounting policies used from those in the previous year and, where significant and available, the effect of the changes on the figures of the current year.
- Description of significant subsequent events.
- Description of related party transactions.
- Description of correction of an error in prior period financial statements.
- Details of trust where not adequately shown on the face of the financial statements.
- Descriptions of the purpose of reserves and funded reserves and supplementary information thereon.
- Description of exemptions granted under section 1000 of this manual.

MUNICIPAL YEAR END

The municipality, and committees, boards, authorities or other such entities in which the municipality has a 100% interest are to have a year end for financial reporting purposes of March 31.

BASIS OF CONSOLIDATION

The financial statements are to be consolidated on the basis of the political accountability of the municipal council with respect to the activities carried out by various boards, committees, authorities or other such entities in which the municipality has a 100% interest.

All entities, in which the municipality has an interest, whether consolidated or not consolidated in the financial statements, should be identified in the notes to the financial statements. The disclosure in the notes will include:

(a) Name of entity

(b) Percentage interest in entity

(c) Contribution made in current year (with comparison)

(d) Actual liability outstanding which must be met by municipality

(e) Contingent liabilities which may have to be met by municipality

(f) Future commitments that the municipality has undertaken on behalf of the board, committee, authority or other such entity.

Trust and agency funds are set up when the municipality acts as an agent. These funds are not to be consolidated with the other funds of the municipality.

CHANGE IN ACCOUNTING POLICY

Where there is a choice from among two or more appropriate principles or methods used in their application and a change is made, the new accounting policy should not be applied retroactively.

For each change in an accounting policy in the current period, the following information should be disclosed in a note to the financial statements;

(a) a description of the change;

(b) the effect of the change in the financial statements for the current period; and

(c) the effect on municipal equity.

COMPARATIVE STATEMENTS

The financial statements are to be prepared on a comparative basis showing as a minimum the figures for the corresponding preceding period and where appropriate the budgets of the current year.

The figures presented on the financial statements are to be expressed in dollars. Cents are to be omitted.

It may be practical in larger units to have figures presented in the financial statements disclosed to the nearest thousand dollars.

If certain of the comparative figures are changed to conform to the financial statement presentation adopted for the current year, this should be disclosed in the notes to the financial statements.

CASH

The following should be excluded from operating cash on the consolidated statements:

(a) cash subject to restrictions that prevent its use for current operating purposes;

(b) cash appropriated for other than current purposes unless such cash offsets a current liability.

TEMPORARY INVESTMENTS

On the consolidated statements investments should be classified as operating assets only if capable of reasonably prompt liquidation. Such investments would include short term bonds and investment certificates.

The basis of valuation shall be disclosed at cost.

RECEIVABLES - CURRENT

TAXES AND RATES

Taxes and rates receivable represent that uncollected portion of taxes and levies as determined by municipal council for purposes of general operations funding or specific user pay services.

These are to be carried in the accounts on the asset side of the balance sheet at residual book values and all adjustments and write-offs must be sanctioned by the municipal council except for assessment appeals, errors and changes in assessment which are authorized by the proper authorities.

INTEREST EARNED

Interest accrued on past due taxes and rates or other uncollected amounts shall be recorded by the municipality.

GRANTS AND OTHER

Full accrual accounting should normally be applied in the determination of revenues outstanding including cost-shared programs. These receivables must be distinguished from taxes and rates receivable and are determined as the realizable amount.

AREA RATES

Area rates are levies imposed by the Council of a municipality to provide for an expenditure in an area or for the benefit of an area. Council authorizes the levying and collecting by an area rate of so much on the dollar on the assessed value of one or more of the taxable commercial, residential or resource property and occupancy assessments in the area, or, by levying a uniform charge on each taxable property assessment or each dwelling unit in the area.

Although each area rate is separately accounted for in the records of the municipality, for financial statement presentation purposes area rate revenues must be included with general section revenues classified by source and area expenditures included with general section expenditures classified by function. The current surplus or deficit of the operating funds will then include the excess or deficiency of funds raised through area rates to the extent that it relates to operations. This is necessary in order to recognize that the revenues and expenditures relating to such operations are those of the municipality.

In those circumstances where a municipality makes a capital loan to a registered fire or emergency service organization where the loan is to be repaid over a specific period through an area rate charge, the capital loan is to be segregated on the appropriate balance sheet of the unit and is to be reduced by the current years debt repayment.

The term of the loan is not to exceed the appropriate useful life guidelines set out in Section 3100.

SPECIAL ASSESSMENTS

Special assessments are charges imposed by a municipal government through a by-law levied against certain properties to defray part or all of the cost of a specific improvement or service which is presumed to be of specific benefit to such properties. The charges fixed by or determined under the by-law may be based on assessment, frontage, lot levies, or such other plan or method as the by-law may provide.

The current surplus or deficit of the operating fund will include the excess or deficiency of funds raised through special assessments to the extent that it relates to operations. This is necessary in order to recognize that the revenues and expenditures relating to such operations are those of the municipality.

Charges and expenditures related to capital improvements may be deferred as capital of the municipality and taken into revenue over the term of the related debt or related local improvement recovery.

Note:
Special assessments would include infrastructure charges sometimes called off-site development charges.

DUE TO/FROM ACCOUNTS (INTER-FUND TRANSFERS)

The definition of fund accounting in Section 2010 defines a fund as an independent fiscal and accounting entity with a self-balancing set of accounts.

Each fund is to be independent of every other fund and no transfers, other than cash transfers for inter-fund services provided, shall take place unless exceptional circumstances arise.

An unauthorized due to/from transfer outstanding at year end must be either repaid in the next year or included in the next year's estimates of the operating fund which received the benefit.

Exceptions will be permitted in two instances.
(1) To finance an approved capital project until it is completed. Having received approval from Service Nova Scotia and Municipal Relations for a temporary borrowing to finance the project during construction, a capital fund may borrow from the operating fund if the money is available. However, upon completion of the project the inter-fund account must be replaced with temporary borrowings or permanent funding.

(2) To finance an approved borrowing from a Reserve Fund for a capital project. Reserve funds are able to lend out their equity to finance certain capital projects of the municipality.
If the reserve funds assets are tied up in long term investments which could not be cashed without suffering a substantial loss, the reserve fund may borrow from an operating fund, an amount not to exceed the lower of the cost of the project or the unallocated equity remaining in the reserve fund. As the reserve fund investments mature, they must be transferred to the operating fund to liquidate the inter-fund account.

When the project is financed through an operating fund, it is imperative that the principal debt and interest repayments claimed in the operating fund be actually transferred to the reserve fund.

Capital expenditures out of operations, repayment of long term debt and depreciation, where applicable, do not involve due to/from account transactions.

Any transfers outstanding at year end are to be disclosed in a note to the consolidated financial statements.

Note: Permanent funding is considered to be any properly approved borrowing with a stated period of repayment and includes debentures, term loans and borrowings from reserve funds.

INVENTORIES

Where municipalities are costing their operations on a consumption basis, they should inventory their supplies and materials except for stationery, office supplies and small items at year end.

If the method of determining costs has resulted in a figure which does not differ materially from recent cost, the simple term "cost" is considered to be suitable in describing the basis of valuation. Otherwise, the method of determining cost should be disclosed.

RECEIVABLES - LONG TERM

Receivables whose terms of repayment extend beyond one year are to be reflected on the consolidated balance sheet separate and apart from the current receivables and referenced to a note to the financial statements disclosing the terms of repayment and interest rate being charged.

See Valuation Allowance - Long-Term - Section 3200

INTERGOVERNMENTAL BONDS AND OTHER LONG-TERM INVESTMENTS

The cost method is to be used in accounting for investments.

On fixed term securities, it is appropriate to amortize any discount or premium arising on purchase of the security over the period to maturity unless the premium or discount is immaterial, in which case it is to be written off in the current year.

A decline in quoted market value below the carrying value of an investment with a fixed maturity amount may be considered temporary unless it is anticipated that the investment will be disposed of before it matures or that the carrying value may not be realizable.

Where there has been a loss in value of an investment that is other than a temporary decline, the investment should be written down to recognize the loss. The loss should be recorded in the fund holding the investment.

A write-down of an investment to reflect a loss in value should not be reversed if there is a subsequent increase in value.

Income earned on investments belongs to the fund holding the investments unless the council otherwise provides.

See Reserve Funds - Section 3240, 3241 and 3242.

PROPERTY ACQUIRED AT TAX SALE

Property acquired by the municipality at tax sale is to be reflected separately in the general capital fund at its cost to the municipality at the expiration of the redemption period.

The taxes receivable will be reduced in the operating fund in the year of acquisition and the purchase price will be reflected in the operating fund as "Redeemable Property Acquired at Tax Sale." The minimum purchase price to the municipality is the amount of taxes outstanding plus interest and expenses. Once the redemption period is expired, the redeemable property acquired at tax sale is eliminated with a charge to capital expenditure out of operations and the asset is recorded in the capital fund.

The proceeds of any property disposed of during the year are to be deposited into the capital reserve fund and they are not a revenue of the operating fund.

The cost of the property in the general capital fund is to be written off in the year of disposition by a charge against the investment in capital assets.

Properties Acquired at Tax Sale Prior to March 31, 2000

Properties acquired at tax sale which are recorded on the balance sheet of the operating fund as of March 31, 2000 are to remain in the operating fund until they are disposed of, used for a municipal purpose or written off.

Disposition

A resolution of council is required for disposition of property acquired at tax sale prior to March 31, 2000. The proceeds are to be deposited in the capital reserve. A withdrawal from the capital reserve in the amount of the acquisition cost or the amount of the proceeds, whichever is less, is to be deposited in the operating fund to reduce the property acquired at tax sale account. If the proceeds are less than the acquisition cost, a charge to capital from revenue for the difference will be required.

Municipal Purpose

Property acquired at tax sale prior to March 31, 2000 that is subsequently used for a municipal purpose shall be recorded in the capital fund and a charge to capital from operations in the amount of the acquisition cost will be used to reduce the property acquired at tax sale account.

Write-off

When the value of a property acquired at tax sale prior to March 31, 2000 is less than the amount recorded for the property in the operating fund, the account shall be written down to reflect the current fair market value with a charge to operations.

FIXED ASSETS

Municipally-owned fixed assets shall be recorded at cost at the time of acquisition or if cost is not particularly determinable, at estimated cost. Fixed assets acquired at nominal or nil value shall be recorded at fair market value at the time of acquisition. The basis upon which various types of assets are recorded shall be reported in notes to the financial statements.

The fixed assets are to be classified in the capital fund balance sheet by category (General government services, protective services, transportation services, educational services, environmental health services, public health and welfare services, recreation and community services, etc.).

Fixed assets are to be carried on the capital fund balance sheets at their initially recorded value until they reach the end of their useful economic lives, when they are to be written off. The municipality is to use the following useful life maximum guidelines at the end of which it is to write off the fixed assets unless disposed of earlier.

Office Equipment		5 years
Motor vehicles (other than heavy equipment, fire trucks and transit buses)		5 years
Fixed and Moveable equipment, fire trucks and transit buses		10 years
Compost Bins		10 years
Sidewalks		20 years
Operating plants (e.g. sewage treatment)		25 years
Wharves		25 years
Ferry Boats		30 years
Municipal buildings		40 years
Other infrastructure (i.e., roads, sewer lines, lagoons)		50 years
Landfill capital		
	-single cell operation	at time when capacity of landfill to accept garbage is reached
	-multi-cell operation	at time when capacity of each cell to accept garbage is reached

FIXED ASSETS (continued)

Refer to Accounting Principle - Section 3210 and Accounting Practice - Section 4020.

Note:

It is important that it not be assumed that the useful economic life of an asset bears any direct relationship to the terms of the long term debt put in place to finance those assets except that the term of the debt is not to exceed the useful life of the asset. Long-term debt issued by a municipality beyond a period of ten years is a function of the market place.

The cost of a fixed asset includes not only its purchase price or construction cost but also related charges necessary to place the asset in its intended location and condition for use. Such related charges may include freight and transportation charges, engineering costs, site preparation expenditures, professional fees and interest costs incurred during construction.

Where municipalities are faced with establishing fixed asset accounting records and valuations after many years of operation without such records, it may be necessary to estimate the cost at the time of acquisition from such documentary evidence as may be available.

Municipal governments may acquire assets by gift. Donated fixed assets or assets acquired at nominal values should be recorded at fair market value at the time of acquisition.

LANDFILL CLOSURE/POST-CLOSURE CARE COSTS

This principle applies to municipal entities that are required by provincial and municipal laws or regulations to incur landfill closure and post-closure care costs. Specifically this principle is to be applied consistently with the **"Nova Scotia Department of the Environment Municipal Solid Waste Landfill Guidelines."**

Costs which result in disbursements after the date that the landfill stops accepting solid waste, should be included in the estimated total cost of landfill closure/post-closure care, regardless of whether they are capital or operating in nature. The estimated total cost of Landfill closure/post-closure care should include:

a) The cost of equipment expected to be installed and facilities expected to be constructed (based on the landfill operating plan) after the date that the landfill stops accepting solid waste and during the post-closure period.

b) The cost of final cover (capping) expected to be applied after the date that the landfill stops accepting solid waste.

c) The cost of monitoring and maintaining the expected usable landfill area during the post-closure period.

The cost components included should be based on the Department of Environment's standards concerning closure/post-closure care that have been approved as of the balance sheet date, regardless of the effective date. Total closure/post-closure care cost is defined as the amount that would be paid if all equipment, facilities, and services included in the estimates were acquired during the current period.

A review of the landfill closure/post-closure cost estimates is to be undertaken, as a minimum, every ten years in order to ensure that current industry standards are being addressed. The intention is that funding must be in step with standards set by government regulations.

The effect of any substantial changes in estimates that occur before the landfill stops accepting solid waste is required to be disclosed in the notes to the financial statements in the period of change. Any shortfall, or any excess amount in the estimates, is to be amortized to operations over the remaining capacity of the landfill.

LANDFILL CLOSURE/POST-CLOSURE CARE COSTS (continued)

A portion of the required total cost of landfill closure/post-closure care is required to be recognized as an expense and the funds transferred into the Capital Reserve Fund in each period that the landfill accepts solid waste. Recognition should be based on volume and begin on the date the landfill begins accepting solid waste, continue in each period that it accepts waste and be completed by the time it stops accepting waste.

The financial statements are required to disclose

- the nature and source of landfill closure/post-closure care requirements
- the nature of closure/post-closure care estimates
- the amount of funds that have been transferred to the capital reserve funds for landfill closure/post-closure care as at the balance sheet date
- the estimated total closure/post-closure care cost remaining to be recognized
- the percentage of landfill capacity used to date and the estimated remaining landfill life in years.

Estimated Total Closure/Post-Closure Care Costs

Pre-Closure	Public Information Program	________
	Legal Property Survey Allowance	________
	Rodent Extermination Program	________
	Fencing	________
	Sub-total	________
Closure	Signage	________
	Removal of Buildings	________
	Removal of Power and Phone Lines	________
	General Site Cleanup Allowance	________
	Installation of Monitoring Wells	________
	Placement of Final Cover	________
	Surface Water Control Ditching	________
	Sub-total	________

LANDFILL CLOSURE/POST-CLOSURE CARE COSTS (continued)

Post-Closure	General Site Maintenance	
	Treatment & Monitoring of Leachate and Groundwater	
	Monitoring of Water Levels	
	Surface Water Monitoring & Management	
	Fish Habitat Monitoring	
	Buffer Zone Management	
	Staffing	
	Leachate Detection Monitoring & Maintenance	
	Landfill Gas Monitoring & Management	
	Sub-total	
	Estimated total cost for closure/post-closure	

LANDFILL OPERATING EXPENDITURES

The costs of operating the landfill site are to be expensed each year in the statement of operations. In addition, a portion of the estimated total costs of landfill closure/post-closure care (Section 3105) will be included as an expenditure and the funds transferred to the Capital Reserve Fund in each period that the landfill accepts solid waste. Recognition should begin on the date the landfill begins accepting solid waste, continue in each period that it accepts waste, and be completed by the time it stops accepting waste.

The estimated total cost for closure/post-closure care shall be assigned to periods based on volume (metric use, i.e., cubic metres) rather than on the passage of time. Under this approach the current period amount for closure/post-closure costs will be based on the formula:

$$\frac{\text{Estimated total cost for closure/ post-closure} \quad \times \quad \text{cumulative capacity used}}{\text{total estimated capacity}} - \text{total previously recognized} = \text{current closure and post closure expenditure}$$

where "total estimated capacity" is determined by engineering analysis and "cumulative capital used" is defined as the accumulated amount of capacity used since the landfill began accepting solid waste.

Where an inter-municipal service agreement is in place for landfills, the amount of expenditure and liability recognized by each municipality should be based on calculations of the inter-municipal service entity.

Additional information on accounting for landfills is available in Section 3270 of the Public Sector Accounting Handbook.

Landfill Operating Expenditures

Equipment Fuel, Maintenance ________
Labour ________
Engineering ________
Surveying ________
Utilities ________
Road Maintenance ________
Seeding ________
Operating Supplies ________
Water Monitoring ________
Gas Well Installation ________
Methane Flare, Blower Operation ________
Final Cover (Annual Closure Activity) ________
Leachate Treatment ________
Leachate Transportation ________

Post-Closure Bond ________
Insurance ________
General and Administrative ________
Host Community Fees ________
Post-Closure Expenditure (See Detail) ________
Annual Principal Debt Reduction ________
Host Community Fees ________
Post-Closure Accrual (See Detail) ________
Interest on Capital Debt ________
Total Annual Operating Costs ________

Unit Costs Per Metric Ton Per Year

$$\frac{\text{\$ Total Annual Costs / Yr.}}{\text{Metric Tons / Yr.}} = \$\_\_\_\_\_\_\_\_\text{/Metric Ton}$$

LANDFILL OPERATING EXPENDITURES (continued)

TRANSITIONAL PROVISIONS

Currently there are a number of landfill, dump, or incinerator sites which have been in existence for varying periods of time. The Department of Environment standards for landfill closure/post-closure costs should be used as a guide for the preparation of a closure plan for every facility currently in operation. It is recommended that each operation have a closure plan prepared with the cost of the study, net of any government assistance received, to be funded out of the capital reserve fund for landfill closure/post-closure care.

The costs identified for the closure/post-closure care are to be funded over the remaining life of the site based on a cost per ton for the capacity remaining.

Landfill with useful life beyond March 31, 2006

- Unfunded liabilities for closure/post-closure costs existing as of the 1996/97 fiscal year are required to be funded by March 31, 2006. A minimum of 10% of the 1996/97 unfunded amount shall be charged to operations and set aside in the Capital Reserve Fund each year. These amounts will be over and above the current cost per ton required to be set aside to fund the closure/post-closure care cost related to the remaining useful life.

- The amount of the outstanding unfunded liability is to be disclosed in a note to the financial statements.

Landfill with useful life completed before March 31, 2006

- Unfunded liabilities for closure/post-closure costs as of the 1996/97 fiscal year are required to be funded by March 31, 2006. A minimum of 10% of the 1996/97 unfunded amount shall be charged to operations and set aside in the Capital Reserve Fund each year.

- Notwithstanding the 10% annual charge, the amount of the outstanding unfunded liability remaining when the landfill site is full shall be recorded on the financial statements when the associated closure/post-closure care work is carried out.

- A special borrowing resolution will be required from the Minister of Service Nova Scotia and Municipal Relations for approval to fund the portion of the unfunded liability for closure/post-closure care that will be funded after the landfill site is full.

Should the borrowing requirement be too onerous for the borrowing unit, an application may be made to Service Nova Scotia and Municipal Relations, on an exception basis, to review the funding period.

LANDFILL OPERATING EXPENDITURES (continued)

The following examples have been prepared to illustrate accounting transactions for the unfunded liability related to landfill closure/post closure care costs as estimated at March 31, 1997. Closure/post closure care liabilities related to landfill use after March 1997 are to be recorded in addition to the transactions illustrated in the examples.

The following examples are for explanatory purposes only. A municipality must evaluate its own situation in relation to landfill liabilities and determine the most appropriate accounting to be adopted.

Examples: Accounting for Unfunded Landfill Closure/Post Closure Care

Estimated **unfunded** closure/post closure care costs	
Capital Cost	
Buildings and Equipment	1,000,000
Capping	2,000,000
Operating	
Post Closure Monitoring and Maintenance	2,000,000
Unfunded Liability at March 31, 1997	5,000,000

A minimum of 10% of the unfunded liability must be funded each year through the operating fund.

Example #1 - Landfill closes after March 31, 2006

Annual Entries 1996/97 to 2005/2006

Operating Fund		
Transfer to Reserve	500,000	
Bank		500,000
Annual deposit to Capital Reserve Fund - Landfill		
Capital Reserve Fund		
Bank	500,000	
Capital Reserve Fund - Landfill		500,000
Annual deposit to Capital Reserve Fund - Landfill		

When the landfill is closed, all capital and operating costs related to closure/post closure care will be funded from the Capital Reserve Fund - Landfill.

LANDFILL OPERATING EXPENDITURES (continued)

Example #2 - Landfill closes during the year ending March 31, 2001

Annual Entries 1996/97 to 2000/01

Operating Fund		
Transfer to Reserve	500,000	
Bank		500,000
Annual deposit to capital reserve fund		

Capital Reserve Fund		
Bank	500,000	
Capital Reserve Fund - Landfill		500,000
Annual deposit to capital reserve fund		

Total deposits to Capital Reserve Fund - Landfill = $2,500,000 at March 31, 2001.

Entries when Capital Costs incurred - 2000/01

Capital Reserve Fund		
Capital Reserve Fund - Landfill	2,500,000	
Unrecovered Debt Charges	500,000	
Bank		3,000,000
Capital cost of landfill closing		

Capital Fund		
Deferred Charge - Landfill Closure	2,000,000	
Landfill Closure Liability		2,000,000
To record remaining unfunded landfill closure liability.		

Entries when Debt Issued

Capital Fund		
Bank	500,000	
Long Term Debt		500,000

A borrowing resolution, approved by the Minister, for a term not exceeding the transition period (in this example 5 years) is required.

LANDFILL OPERATING EXPENDITURES (continued)

Example #2 -(continued)

Annual Entries 2001/02 to 2005/06

Operating Fund

Principal Payments Long Term Debt	100,000	
Interest Expense Long Term Debt	20,000	
Bank		120,000
Payment of long term debt charges		
Transfer to Reserve	380,000	
Bank		380,000
(500,000 - 120,000)		
Annual deposit to capital reserve fund after deducting annual debt charges		

Capital Reserve Fund

Bank	380,000	
Capital Reserve Fund - Landfill		380,000
Annual deposit to capital reserve fund		

Capital Fund

Long Term Debt	100,000	
Unrecovered Debt Charges		100,000
To write down debt and amortize unrecovered debt charges		
Landfill Closure Liability	500,000	
Deferred Charge - Landfill Closure		500,000
To amortize landfill closure liability		

Capital Reserve Fund

Capital Reserve Fund - Landfill	50,000	
Bank		50,000
Monitoring and maintenance costs		

LANDFILL CAPITAL COSTS

All costs related to the capital of a landfill site including pre-development costs, permitting costs, construction costs and liner costs are to be set up as a capital asset in the capital fund.

Capital assets, which will be used exclusively for a municipal solid waste landfill, should be written off the books of the capital fund at the date that the landfill stops accepting solid waste. For those landfills operating on a multiple cell system, capital costs installed or constructed for a single cell should be written off at the end of the useful life of that cell.

Landfill Capital Costs

Pre-Development Costs		
	Land Options	________
	Surveying, Geotechnical	________
	Legal	________
	Real Estate Fees	________
A.	Total Pre-Development Cost	________
Permitting Costs		
	Geotechnical Investigations	________
	Engineering and Design	________
	Legal Fees	________
	Public Hearing Fees (Legal and Engineering)	________
	Environmental Impact Study	________
	Contingency	________
	Land	________
B.	Total Permitting Cost	________
Construction Cost		
	Access Roads	________
	Land Clearing	________
	Excavation - Initial Cells	________
	Fencing	________
	Landscaping	________
	Scalehouse	________
	Scales	________
	Office Building	________
	Drainage	________
	Sedimentation Ponds	________
	Utilities	________
	Monitoring Wells	________
	Methane Flare, Blowers	________
C.	Total Construction	________
Liner Cost		
	Leachate Collection Gravel	________
	Leachate Collection Pipes	________
	Synthetic Liner	________
	Clay Liner	________
D.	Total Liner Cost	________
Total Capital Costs		
A.	Pre-Development	________
B.	Permitting	________
C.	Construction	________
D.	Liner	________
	Sub-total	________
	Equipment	________
	Total	________

DEPRECIATION

(a) GOVERNMENTAL FUNDS

Depreciation of general fixed assets is not to be recorded in the accounts of governmental funds.

(b) UTILITY FUNDS

Depreciation of fixed assets is accounted for in a utility fund and should be recorded in the accounts of that fund.

In the utility fund, an amount of cash equal to the depreciation claimed is to be transferred to a depreciation fund bank account, which is to be used to help fund future capital costs of the utility. Refer to the Accounting and Reporting Handbook for Water Utilities for specific details on treatment. No withdrawal may be made from this account without the approval of the Utility and Review Board.

LONG TERM COMMITMENTS

A municipality may enter into a lease, lease-purchase or other commitment to pay money over a period extending beyond the end of the current fiscal year. Where the total cumulative commitment exceeds $100,000, the proposed commitment must be approved by the Minister of Service Nova Scotia and Municipal Relations in advance.

Commitments approved by the Minister are required to be disclosed in the notes to the financial statements.

Note: If the municipality enters into a commitment arrangement where the actual dollars to be expended, including carrying costs exceed $100,000, approval must be obtained from the Minister: i.e., six year commitment at $17,000/year would require Ministerial approval.

Note: A commitment is defined by regulation as "a commitment with respect to the possession, use or control of physical or intellectual property."

SHORT TERM BORROWINGS - OPERATING

All interest expense incurred to finance current operations is to be charged to short term borrowing costs in the year incurred.

PAYABLES AND ACCRUALS

The municipality is to provide for a full accrual of expenditures and charges for operating fund services. This will include trade payables, employee benefit accruals and the estimated share of deficits of various boards and commissions in which the municipality has less than a 100% interest except where the legal requirement for funding such deficits does not require provision in that year.

The only exceptions to full accrual accounting are that interest and principal on long-term debt and immaterial amounts are not to be accrued.

DEFERRED REVENUE

Deferred revenue is to be reflected in the liability section of the balance sheet and is to include:

a) prepayments of the next year's taxes

b) local improvements revenue such as sewer frontage charges recognized as revenue over the term specified in the by-law authorizing the charge.

VALUATION ALLOWANCE - CURRENT

(1) TAXES AND RATES

Each municipal council is required to carry out a tax sale to collect outstanding taxes due to the municipality. This can be accomplished by a tax sale policy adopted by council and by following the minimum tax sale procedures in Section 134 of the Municipal Government Act. The legislation requires Municipalities to put properties up for sale if taxes are in arrears for the preceding three fiscal years.

A valuation allowance shall include an estimate of future losses on taxes, rates and interest outstanding at year end. In most cases taxes on real property are recoverable through the tax sale process.

The allowance required is an estimate and the actual loss eventually sustained may be more or less than the estimate. The variation will depend not only on the pessimism or optimism of the estimator but also on events which have yet to occur and which cannot be foretold. The impossibility of making an exact forecast does not however, relieve management of the responsibility of making a careful estimate of the allowance required.

No formula can be set out which, by itself, provides a means by which the amount of an allowance can be determined. The nature of the outstanding accounts, collection policies, the efficiency of the collection department and the general business conditions at the time are all factors which must be taken into account.

The amount of the allowance at the end of a financial period should be calculated by reference to the accounts outstanding at the end of the financial period after taking into consideration all circumstances known at the date of review. Any amount required to increase or decrease the valuation allowance should be included in the statement of operations for the year then ending. Therefore an estimate of the amount required at year end should be included in the municipality's budget at the start of the year.

The actual calculation may be based on a formula that ages the balance outstanding and applies various percentages based on past collection experience in addition to a review of large individual accounts to determine the total valuation allowance.

VALUATION ALLOWANCE - CURRENT

(2) GRANTS AND OTHER RECEIVABLES

A valuation allowance shall be provided for all other receivables which are outstanding at year end. The amount of the valuation for other outstanding receivables shall be management's best estimate based on facts.

(3) UNRESOLVED ASSESSMENT APPEALS

A valuation allowance shall be provided for unresolved assessment appeals in an amount as estimated based on experience and current facts to reflect the probable result of such appeals to the extent not provided elsewhere. The estimate should include an amount for interest that will be payable on successful assessment appeals. (Section 114 of the Municipal Government Act deals with interest payable).

A Valuation Allowance shall be calculated based on outstanding receivables at March 31 each year. Any additional amount required to fully fund the allowance or the amount the allowance is to be reduced shall be included in the statement of operations for the year then ending.

WRITE-OFF OF TAXES AND RATES

When taxes and rates are determined to be uncollectible after considering all avenues of collection, and by resolution, council approves the write-off, the amounts to be written off are to be charged directly against the Valuation Allowance.

BALANCE SHEET

The amount of the valuation allowance is to be included on the asset side of the balance sheet as a deduction from appropriate receivables. Full disclosure of the effect of this accounting change is required in the notes to the financial statements.

VALUATION ALLOWANCE - CURRENT

TRANSITION

Any reduction in the Valuation Allowance due to the change in methods of calculation shall be included in the Statement of Operations under Extraordinary Items. It is strongly recommended that the amount included in Extraordinary Items be transferred to Operating Reserves. Early adoption of this change is encouraged. All municipalities must comply with this section for the 2002/03 fiscal year.

TEMPORARY BORROWINGS - CAPITAL PROJECTS

Temporary borrowings to finance a capital project during construction are to be authorized by the Minister of Service Nova Scotia and Municipal Relations and are to be repaid when the project is completed and permanent funding is put in place.

If permanent funding is not in place within one year after the capital project is completed, a one year renewal of approval for the borrowing must be received from Service Nova Scotia and Municipal Relations for a maximum of 90% of the outstanding borrowings. The minimum of 10% is to be included in the estimates and shown as a principal repayment in the year.

A project is completed at the point of takeover by the municipality.

Interest incurred during construction on significant identifiable capital projects may be capitalized in the year incurred.

Note:

A significant identifiable capital project is a project for which the municipality has received a temporary borrowing resolution approved by the Minister of Service Nova Scotia and Municipal Relations.

TAX SALE SURPLUS

Tax sale surplus represents excess funds received at tax sales over and above the original amounts which were owing to the municipality at the time a particular property was sold.

This surplus is to be held in trust for twenty years and if at the end of that time the excess proceeds are not claimed, they are to be transferred to the Capital Reserve Fund.

Tax sale surplus is to be shown as a non-current liability on the consolidated financial statements.

The amount of tax sale surplus which will be transferred to the Capital Reserve Fund in the next year is to be disclosed in the notes to the financial statements.

Supplementary disclosure of the breakdown of the tax sale surplus may be desirable.

VALUATION ALLOWANCE - LONG TERM

Any long term receivables which are deemed by municipal officials to be potentially uncollectible should be provided for in a valuation allowance set up outside the current liabilities.

LONG TERM DEBT

Long term debt is to be reflected on the consolidated financial statements.

The term of the debt put in place for specific capital acquisitions is never to exceed the useful life guidelines for those assets as set out in Section 3100.

The debt is to include permanent debt financing put in place by the municipality, debt assumed from other committees, boards, authorities or other such entities and capital lease debt.

Any amounts received on a debenture borrowing in excess of the cost of the capital project are to go into the Capital Reserve Fund.

Discounts on a debenture issue may be amortized over the term of the associated debt if the amount is considered material.

A note to the financial statements is to disclose the next five years' debt repayment and the extent to which another municipal government or the provincial government will assume responsibility for or pay grants equivalent to the debt service of such debt.

Note:
It is important that it not be assumed that the useful economic life of an asset bears any direct relationship to the terms of the long term debt put in place to finance those assets. Long term debt issued by a municipality beyond a period of ten years is a function of the market place.

MUNICIPAL EQUITY

The consolidated financial statements should disclose separately the equity position of the municipality as at the date of the balance sheet. Municipal equity includes but is not limited to the following:

a) the net surplus or deficit of the municipality and its consolidated local boards.

b) the investment in capital assets at the end of the fiscal year.

c) amounts appropriated from revenue by council and set aside as reserve funds to meet anticipated future operating and capital commitments.

d) amounts received or amounts required to be set aside as reserve funds as a result of federal or provincial legislation or regulation.

CAPITAL RESERVE FUND

There must be a separate accounting of assets in the capital reserve fund from the general operating funds and capital funds. The capital reserve fund is one of the three separate types of reserve funds, the other two being the special purpose tax reserve fund and the operating reserve fund. (See Sections 3241 and 3242).

A municipality is required to have a capital reserve fund. The following are required by legislation to be placed in the capital reserve fund:

(a) funds received from the sale of property;
(b) the proceeds from insurance resulting from loss or damage of property that is not used for replacement, repair or reconstruction of the property
(c) any surplus remaining from the sale of debentures that is not used for the purpose for which the debentures were issued;
(d) the surplus remaining in a sinking fund when the debentures for which it was established are repaid;
(e) any capital grant not expended in the year in which it was paid;
(f) proceeds received from the winding up of a municipal enterprise as defined in the Municipal Finance Corporation Act;
(g) the current fiscal year's accrual for landfill closure and post-closure costs;
(h) amounts transferred to the fund by the Council;
and
(i) balance in tax sale surplus account twenty years after the tax sale.

Landfill closure and post-closure cost reserve funds must be separated from the balance of the capital reserve funds on the financial statements of the municipality (see section 3105). Interest earned by the "capital reserve fund - landfill closure/post closure costs" must remain in that fund.

Interest earned by the capital reserve fund (other than the portion relating to landfill closure and post-closure costs) must also remain in that fund unless there is a special resolution of council which allows the interest to be taken into the general operating fund.

Appropriations from the operating fund which are transferred to the capital reserve fund by the council are to be shown in the operating fund as items of current expenditure in arriving at current surplus (deficit) for the year end and the amount of the appropriation is to be transferred to the separate capital reserve fund.

CAPITAL RESERVE FUND (continued)

A withdrawal from the capital reserve fund may only be used for:

(a) capital expenditures for which the Municipality may borrow
(b) repayment of the principal portion of capital debt
(c) landfill closure and post-closure costs which have been approved in conforming to the "Nova Scotia Standards and Guidelines Manual for Landfill" issued by the Department of the Environment.

The Council may borrow from a capital reserve fund, by resolution, if the resolution prescribes the terms of repayment, including interest, at a rate not less than the interest rate that the Municipality would pay to borrow the funds for a similar term from another source. Funds borrowed from the capital reserve fund can only be used to acquire capital assets for the Municipality.

Funds authorized to be withdrawn and used to acquire capital assets are to be transferred directly to the capital fund into which the purchased assets are to be placed. Funds relating to Landfill closure and post closure costs are to be disbursed directly from the Landfill reserve.

Reserve Funds are to be shown as part of municipal equity on the consolidated balance sheet.

Changes in the capital reserve funds during the year are to be disclosed in the notes to the consolidated financial statements.

The Capital Reserve Section and the Equipment Reserve Section of a Special Reserve Fund as of April 1, 1999 are now part of the Capital Reserve Fund.

SPECIAL PURPOSE TAX RESERVE FUND

There must be a separate accounting of reserve fund assets from the general operating funds and capital funds. The special purpose tax reserve fund is one of the three separate types of reserve funds, the other two being the capital reserve fund and the operating reserve fund. (See Sections 3240 and 3242).

The special purpose tax reserve fund is restricted as to the source of its funds to special purpose tax revenue raised by Council for a specific purpose.

The Council may withdraw money from the special purpose tax reserve fund for an expenditure on a purpose for which the account was established.

Where the Council has raised revenue through more than one special purpose tax, the accounts are to be segregated from each other on the books of the municipality. This can be done either by establishing a separate fund for each special purpose tax or by establishing separate accounts for each special purpose tax within the overall special purpose tax reserve fund.

Council may, if the balance in a specific special purpose tax reserve account exceeds the funds required for the purpose for which the special purpose tax reserve account was established, return the surplus to the contributors, or may withdraw the funds from the special purpose tax reserve account for any purpose for which the Municipality may expend funds if the Council complies with the requirements of Section 83 (4) of the Municipal Government Act.

The Council may borrow from the special purpose tax reserve fund by resolution if the resolution prescribes the terms of repayment, including interest, at a rate not less than the interest rate that the Municipality would pay to borrow the funds for a similar term from another source. The borrowing from the special purpose tax reserve fund cannot be outstanding for a period longer than the time within which the special purpose tax reserve fund will require the funds.

OPERATING RESERVE FUND

There must be a separate accounting of reserve fund assets from the general operating funds and capital funds. The operating reserve fund is one of the three types of reserve funds, the other two being the capital reserve fund and the special purpose tax reserve fund. (See Section 3240 and 3241).

The operating reserve fund is restricted as to the source of its funds to appropriations from the general operating fund.

Appropriations from the operating fund are to be shown in that fund as items of current expenditure in arriving at current surplus (deficit) for the year and the amount of the appropriation is to be transferred to a separate operating reserve fund.

A resolution of council is required before any money may be withdrawn from the operating reserve fund. The resolution of council approving a budget that includes a withdrawal from the operating reserve fund is sufficient. Sums withdrawn may be used for any purpose for which council has authority to expend money.

Transfers from this section to the general operating fund are to be shown as items of current revenue in the general operating fund in arriving at current surplus (deficit) for the year.

Interest earned by the operating reserve fund must remain in that fund unless there is a special resolution of council which allows the interest to be taken into the general operating fund.

The operating reserve fund is to be shown as part of Municipal equity on the consolidated balance sheet.

Changes in the operating reserve fund during the year are to be disclosed in the notes to the consolidated financial statements.

SURPLUS (DEFICIT)

The surplus or deficit of the municipality is determined as being the accumulated residual balance of revenue over expenditure (or expenditure over revenue) on a year to year basis. Appropriations may be made from the surplus account to the succeeding year's revenue at the discretion of the municipal council. However, any residual deficit in any year is required to be funded from the succeeding year's operations.

There are to be no adjustments to surplus with respect to prior years. Any adjustment pertaining to a prior period is to be recorded in the current year's accounts as an item of revenue or expenditure or as an extraordinary or special item depending on the nature of the transaction(s).

A schedule of continuity of surplus is to be provided in the notes to the financial statements.

A municipality may segregate the accumulated surplus for special purposes.

Note:

In theory, there may be an instance where an item would qualify as a prior period adjustment. However, in practice it is felt that the conditions relating to prior period adjustments would not be met and any instances which appear to qualify as an adjustment of prior years, if material, are to be treated as extraordinary or special items outlined in section 3310.

PENSION PLANS

The details relating to a municipality's pension plan(s) are to be disclosed in the notes to the consolidated financial statements.

Various pension plans in effect at the present time include:

(a) special pension plan benefits, defined by special legislation, paid annually to retired employees out of current operations

(b) municipality/employee contributions to a group registered retirement savings plan administered by a financial institution on behalf of the municipality and its employees

(c) defined benefit pension plans

(d) defined contribution pension plans

Plan types (a) and (b) are specific to individual units and are to be disclosed based on the circumstances of each plan.

Plan types (c) and (d) are to be accounted for and disclosed in accordance with Section 3461 of the CICA Handbook "Employee Future Benefits."

CONTINGENCIES

A contingency is defined as an existing condition or situation involving uncertainty as to possible loss or gain to a municipality that will ultimately be resolved when one or more future events occur or fail to occur.

Contingencies would include, but are not limited to, pending or threatened litigation, retroactive wage settlements, and guarantees of long term debt.

CONTINGENT LOSSES

The amount of a contingent loss should be accrued in the financial statements by a charge to revenue when both of the following conditions are met:

(a) it is likely that a future event will confirm that an asset had been impaired or a liability incurred at the date of the financial statements; and

(b) the amount of the loss can be reasonably estimated.

The existence of a contingent loss at the date of the financial statements should be disclosed in notes to the financial statements when:

(a) the occurrence of the confirming future event is likely but the amount of the loss cannot be reasonably estimated; or

(b) the occurrence of the confirming future event is likely and an accrual has been made but there exists an exposure to loss in excess of the amount accrued; or

(c) the occurrence of the confirming future event is not determinable.

CONTINGENT GAINS

Contingent gains should not be accrued in the financial statements.

When it is likely that a future event will confirm that an asset had been acquired or a liability reduced at the date of the financial statements, the existence of a contingent gain should be disclosed in notes to the financial statements.

CONTINGENCIES (continued)

NOTE DISCLOSURE

When the existence of a contingent loss, or a contingent gain which has not been accrued, is disclosed in a note to the financial statements, the information should include:

(a) the nature of the contingency;

(b) an estimate of the amount of the contingent gain or loss or a statement that such an estimate cannot be made; and

(c) whether any settlement resulting from the resolution of the contingency is expected to be accounted for as an extraordinary item or as a charge to current expenditure or credit to current revenue of the period in which the settlement occurs.

SUBSEQUENT EVENTS

Financial statements should be adjusted when events occurring between the date of the financial statements and the date of their completion provide additional evidence relating to conditions that existed at the date of the financial statements.

Adjustment of the financial statements for subsequent events is not appropriate if such events do not relate to conditions existing at the financial date. To reflect the effect of such events would not be consistent with the concept that a balance sheet represents the financial position of a municipality at the financial statement date.

Financial statements should not be adjusted for, but disclosure should be made of, those events occurring between the date of the financial statements and the date of their completion that do not relate to conditions that existed at the date of the financial statements but:

(a) cause significant changes to assets or liabilities in the subsequent period, or

(b) will, or may, have a significant effect on the future operations of the municipality.

Disclosure of a subsequent event that does not require adjustment of the financial statements should include:

(a) a description of the nature of the events; and

(b) an estimate of the financial effect, when practicable, or a statement that such an estimate cannot be made.

REPORTING OF REVENUES AND EXPENDITURES

The financial statements should report gross revenues and gross expenditures.

The netting of revenues and expenditures is appropriate only for:

(1) charges for long term liabilities issued by the municipality but assumed by other bodies which are not consolidated. The transaction is to be disclosed in the notes to the financial statements.

(2) recoveries from other funds for services provided.

(3) allocation of municipal costs to capital projects.

REDUCTION OF TAXATION REVENUE

Taxation revenue that is reduced or written off due to change in the assessment base should be reported under one of the following methods:

(a) where the amount reduced or written off has been levied in the current reporting year and would normally be included as part of the total taxation revenue of the year, the amount reduced or written off should be subtracted from the total taxation revenue for the year.

(b) where the amount reduced or written off has been levied in a prior period or periods, the reduction or write-off should be subtracted from the valuation allowance for taxes and rates or unresolved assessment appeals.

All other taxation revenue that is reduced or written off as a result of a decision of council, should be subtracted from the valuation allowance for taxes and rates.

SUBSIDIES AND SPECIAL GRANTS

Subsidies and special grants are to be recorded in the same fund as the corresponding expenditure.

A grant received for capital purposes is to be reflected in the capital fund.

A grant or subsidy received for operating purposes is to be reflected directly in the operating fund.

EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items should include only gains, losses, and provisions for losses which, by their nature, are not typical of the normal activities of the municipality, are not expected to occur regularly over a period of years and are not considered as recurring factors in any evaluation of the ordinary operations of the municipality.

Special items should include adjustments which would otherwise be considered prior period adjustments and which have the following characteristics:

(a) are specifically identified with and directly related to the municipal business activities of particular prior periods;

(b) are not attributable to economic events occurring subsequent to the date of the financial statements for such prior periods;

(c) depend primarily on decisions or determinations by persons other than municipal staff or council; and

(d) could not be reasonably estimated prior to such decisions or determination.

Extraordinary and special items, should be included in the determination of net revenue (or deficit) for the period.

These items should be disclosed separately on the Consolidated Statement of Operations in such a manner that users of the statement may be able to determine the nature of the occurrences giving rise to the items and the extent to which the net revenue (or deficit) has been affected by such items.

Each item should be shown separately and its nature described. Items resulting from events and transactions of a similar nature may be shown in the aggregate and dissimilar items should be shown separately.

PETTY CASH

A municipality should have set guidelines to determine the amount and operation of their petty cash fund passed by Council. The following is a list of restrictions each municipality should have for the operation of their petty cash fund.

(1) A set limit sufficient to meet the normal petty cash needs of the municipality.

(2) The fund is to be used only for government expenses.

(3) The fund must not be used to settle part of the municipality's accounts payable transactions.

(4) Salaries are not to be paid out of petty cash under any circumstances.

(5) Travel expenses, with the exception of reimbursing employees for taxi fare, are not to be paid out of petty cash.

HARMONIZED SALES TAX (HST) ACCOUNTING

Effective April 1, 1997 the provinces of Nova Scotia, New Brunswick and Newfoundland implemented the Harmonized Sales Tax (HST) and eliminated their respective provincial sales taxes. The HST applies in the same manner as GST, but is applied at a rate of 15% as opposed to 7% for GST.

All references to HST are also applicable to GST.

For purposes of HST, goods or services being supplied are classified as one of three types.

Taxable Supplies

Generally, an operation will charge 15% HST on taxable sales of goods or services and pay 15% HST on expenditures made to provide these goods or services. It will receive an input tax credit (ITC) for HST paid which will be credited against the HST billed. Any excess of HST billed over ITC's claimed will be remitted to the Federal Government; any excess ITC's over amounts billed will be refunded by the Federal Government. Effectively, the provider of a taxable supply must remit HST on the value added.

Zero-Rated Supply

In the case of zero-rated supply, the taxable supply rules will apply except that a rate of zero is charged on sales. In other words, full ITC's are allowed but no HST is collected. This results in the good or service being supplied to the end consumer completely free of HST.

Tax-Exempt Supply

In the case of tax-exempt supply, no HST will be charged to the consumer. However, the provider of a tax-exempt supply will pay HST on expenditures and will not be entitled to an ITC. Special rules apply for municipalities that provide tax-exempt supplies.

Municipalities and HST

Goods and services supplied by a municipality that compete with other commercial activities should not be advantaged or disadvantaged by the application of HST. Generally, when the Unit competes with a commercial enterprise, it will be subject to the same rules that apply to commercial activities. Unless the goods or services provided

HARMONIZED SALES TAX (HST) ACCOUNTING (continued)

are specifically identified as a tax exempt supply, the Unit will be required to collect HST on the consideration received. In providing most general public sector services, a municipality is not competing with commercial enterprises; accordingly, general public sector services are tax-exempt to the consumer. These services are specifically set out in Part VI of Schedule V of the Excise Tax Act under the heading "Public Sector Bodies" and are summarized in broad terms as follows:

1. General services supplied to residents of a particular locale.
   eg. Road building
   Snow removal

2. Water and sewage systems charges.

3. Provision of most licenses, registration services and quotas.

4. Municipal transit-public passenger transportation supplied in and around a municipal locale.

5. A supply of a right to deposit refuse at a refuse disposal site.

6. Garbage collection services.

Where goods and services are tax exempt, municipality will not charge HST and will not be entitled to ITC's. Municipalities are entitled to a rebate of 57.14% of HST paid on expenditures incurred to provide the tax exempt services.

Examples of some taxable supplies of a municipality are as follows:

- ice time rentals
- sale of recycled materials
- short term rental of meeting facilities
- some sales of land
- parking lots operated by a municipality

HARMONIZED SALES TAX (HST) ACCOUNTING (continued)

The implementation of the GST on January 1, 1991, has resulted in a great deal of uncertainty on the part of municipalities on how to account for the new tax. This has been created primarily by the complexity of the legislation and the lack of clear direction and interpretation in defining municipal revenue sources and expenditures categories for GST purposes. Today there are still many questions regarding municipalities' responsibilities in complying with the requirements of GST/HST. The following are the minimum accounting procedures for purposes of the HST.

1. The following should be established accounts in each applicable operating fund of the municipality.

Asset Account
Accounts receivable - HST rebate receivable (57.14%)
Accounts receivable - HST input tax credits

Liability Account
Accounts payable - HST payable

Recording process - operating fund

Tax Exempt Supply

When an expense is incurred that relates directly to a tax exempt supply made by the municipality, 57.14% of the HST associated with the expense should be debited to the HST Rebate Receivable Account, with the remaining 42.86% of the HST being debited to the applicable expense account.

HARMONIZED SALES TAX (HST) ACCOUNTING (continued)

Taxable Supplies

When HST is collected by municipalities, 100% of the HST collected should be credited to the HST payable account.

Where an expense is incurred that relates directly to the provision of a taxable supply (i.e., where the municipality collects HST), 100% of the tax paid out should be posted as a debit to the HST Input Tax Credit Account. In this situation, no amount of the HST incurred is expensed.

In situations where an expense relates partly to municipalities taxable and exempt activities, a prorated ITC may be claimed. For example, if a municipality incurred an expense that related 20% to taxable activities and 80% to exempt activities, the municipality could debit 20% of the tax to the HST Input Tax Credit account, 57.14% of 80% of the tax to the HST Rebate Receivable account, with the remainder to the applicable operating expense account.

For example, if $100 of HST was incurred in the above situation, the postings would be as follows:

HST Receivable ITC	20	(100x20%)
HST Rebate Receivable	45.71	(80x57.14%)
Operating Expense	34.29	(80x42.86%)
Bank		100

2. Similar HST accounts should be established in the capital fund.

Asset Account

Accounts receivable - HST rebate receivable (57.14%)
Accounts receivable - HST ITC receivable

HARMONIZED SALES TAX (HST) ACCOUNTING (continued)

Recording Process - Capital Fund

Primarily used for Municipal Exempt Activity

At the time of purchase, 57.14% of the HST paid will be debited to a capital fund, HST rebate receivable account. The non-rebateable portion of 42.86% will be debited to the applicable capital cost.

Primarily used for Commercial Activity

Capital assets purchased by the Municipality and used primarily (50% or more) in a commercial activity, will be eligible for a full ITC on the HST paid. At the time of purchase, 100% of the HST will be debited to the accounts receivable HST Input Tax Credit Account. This amount will be claimed either as a full refund from the Federal Government or a debit against HST otherwise payable. If the item is not used primarily in commercial activities, only the 57.14% rebate is available to the municipality.

In situations where the use of a capital asset has changed from primarily commercial to primarily non-commercial (or vice versa), the municipality will be considered to have disposed of the asset at that time. A change in use to primarily non-commercial will trigger a disposition at fair market value with HST payable on the fair market value. The HST self assessed under these circumstances will be eligible for the 57.14% rebate. A change from non-commercial to commercial use will trigger an ITC, calculated as the lower of tax originally paid less any rebate received, and the fair market value expressed as a percentage of the original cost applied against the previously unrecovered tax.

HARMONIZED SALES TAX (HST) ACCOUNTING (continued)

Sample Accounting Transactions

As a minimum, each municipality will receive a rebate of 57.14% of HST costs incurred from the Federal Government. The following examples have been prepared to illustrate more than the minimum reporting requirement in order to provide direction to municipalities on the different types of HST transactions that may be entered into.

It is important that each Unit predetermine the reasonable percentage of costs that relate to the provision of taxable supplies versus tax exempt supplies. An example for this situation is also presented.

The following examples are for explanatory purposes only. A municipality must evaluate its situation in relation to HST and determine the most appropriate accounting to be adopted.

Description	Cost (Revenue)	HST Paid (Collected)	Total	% Use in Taxable Activities	% Use in Exempt Activities	Rate
A) Affects Accounts Payable Clerk						
1) General Government						
Stationary	$ 100.00	15.00	$ 115.00	0%	100%	15%
2) Recreation						
Pool Supplies	200.00	30.00	230.00	60%	40%	15%
3) Transportation						
Equipment repairs	300.00	45.00	345.00	10%	90%	15%
B) Affects Cash receipts Clerk						
4) Recreation						
Pool revenue	(400.00)	(60.00)	(460.00)	100%	0%	15%
5) Transportation						
Parking lot	(500.00)	(75.00)	(575.00)	100%	0%	15%
C) Expenditure in Capital Fund						
6) Recreation						
New Pool	1,000,000	150,000	1,150,000	60%	40%	15%
7) Transportation						
New snowplow	50,000	7,500	57,500	10%	90%	15%

HARMONIZED SALES TAX (HST) ACCOUNTING (continued)

Entries entered into general ledger

A) By accounts payable clerk in operating fund

1)	General Government - stationery	106.43		100+(100x15%x42.86%)
	Accounts receivable HST rebate	8.57		(15 x 57.14%)
	Accounts payable		115.00	
2	Recreation - Pool Supplies	205.14		200+(200x15%x40%x42.86%)
	Accounts receivable HST rebate	6.86		(30 x 40% x 57.14%)
	Accounts receivable HST receivable ITC's	18.00		(30 x 60%)
	Accounts Payable		230.00	
3)	Transportation - Equipment repairs	317.36		300+(300x15%x90%x42.86%)
	Accounts receivable - HST rebate	23.14		(45 x 90% x 57.14%)
	Accounts receivable - HST receivable ITC's	4.50		(45 x 10%)
	Accounts payable		345.00	

B) By Cash receipts clerk in operating fund:

4)	Cash	460.00	
	Accounts payable - HST payable		60.00
	Pool revenue		400.00
5)	Cash	575.00	
	Accounts payable - HST payable		75.00
	Parking revenue		500.00

C) By accountant in capital fund:

6)	Pool	1,000,000.00		
	Accounts receivable - HST receivable	150,000.00		
	Accounts Payable		1,150,000.00	
7)	Public Works - Equipment	53,214.50		(50,000 + (7,500 x 42.86%))
	Accounts receivable - HST rebate	4,285.50		(7,500 x 57.14%)
	Accounts payable		57,500.00	

HARMONIZED SALES TAX (HST) ACCOUNTING (continued)

General ledger month-end balances before adjustments and reallocation

	Debit	Credit
General Operating Fund		
Assets		
Cash	$ 1,035.00	$
Accounts receivable -HST rebate	38.57	
Accounts receivable- HST ITC's	22.50	
Liabilities		
Accounts payable - trade		690.00
Accounts payable - HST payable		135.00
Revenue		
Pool revenue		400.00
Parking revenue		500.00
Expenditure		
General government - office expense	106.43	
Transportation - general equipment	317.36	
Recreation - pool	205.14	
	$ 1,725.00	$ 1,725.00
General Capital Fund		
Assets		
Accounts receivable-HST rebate	$ 4,285.50	
Accounts receivable-HST rebate ITC's	150,000.00	
Recreation - pool	1,000,000.00	
Public work equipment	53,214.50	
Liabilities		
Accounts payable		1,207,500.00
	$1,207,500.00	$1,207,500.00

EMPLOYEE ADVANCES

To provide protection to municipal employees from public innuendo because they are the holders of the public purse, it is recommended that there be no advances to employees unless linked specifically to vacation, salary or travel advances. Municipalities may have their own guidelines for these advances, however, the Department's recommended policies are as follows:

(1) Vacation advances must not exceed the net amount of the preceding pay cheque and can only be drawn if a normal pay period falls during the vacation.

(2) Salary advances would only be given to a new employee at 65% of the gross bi-weekly or applicable period.

(3) Travel advances must be cleared within 45 days of the advance.

It is recommended that each municipal council formulate in writing their guidelines in respect to employee advances.

PREPAID EXPENSES

Other than inventories described in Section 3060, prepaid charges such as stationery, office supplies and insurance, need not be set up in the records at year end except where material.

FIXED ASSETS

Where practical the individual fixed assets of a municipality are to be maintained in a Plant Ledger which will describe:

- Capital Item
- Cost
- Year Acquired
- Method of Financing

and as a minimum all vehicle and equipment capital acquisitions subsequent to December 31, 1982 are to be maintained in a detailed plant ledger.

Only items which will provide a benefit in excess of one year to the municipality are to be capitalized.

Repairs to existing capital items are not to be capitalized unless the change is so significant as to enhance the service potential of the asset. Service potential is enhanced when there is a significant increase in output capacity, the useful life of the asset is extended or the quality of the output is significantly improved.

When an asset is replaced or disposed of, the original cost is to come out of the capital asset account with a corresponding decrease in the investment in capital assets account.

When an asset has reached the end of its useful life for accounting purposes as outlined in Section 3100 the original cost is to come out of the capital asset account with a corresponding decrease in the investment in capital assets account.

The proceeds on disposal of any capital asset other than the trade-in of one asset for another are to be transferred to the Capital Reserve Fund (3240).

CAPITAL CONTRIBUTIONS TO NON-MUNICIPAL FIXED ASSETS

Situations arise when a municipality agrees to cost share in a capital project in which it does not acquire title (e.g., capital cost of paving streets or roads in a rural municipality, contribution to a hospital). These cost sharing amounts are not to be set up as capital assets of the municipality. These costs may be treated in one of two ways:

(a) If the costs are paid for out of operations in the current year they are to be written off against the appropriate expenditure account by fund and function.

(b) If the costs are to be funded out of the issuance of long term debt in the capital fund, they are to be set up separate from the fixed assets on the appropriate capital fund balance sheet (account 36000 in the Chart of Accounts) with the corresponding long term debt issue. The asset and the debt are to be written down over the term of the financing.

CAPITAL LEASES

A capital lease is defined as a lease that, from the point of view of the lessee, transfers substantially all the benefits and risks incident to ownership of property to the lessee when at the inception of the lease, one or more of the following considerations are present:

(1) there is reasonable assurance that the lessee will obtain ownership of the leased property by the end of the lease term. Reasonable assurance that the lessee will obtain ownership of the leased property would be present when the terms of the lease would result in ownership being transferred to the lessee by the end of the lease term or when the lease provides for a bargain purchase option;

(2) the lease term is of such duration that the lessee will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span. Although the lease term may not be equal to the economic life of the leased property in terms of years, the lessee would normally be expected to receive substantially all of the economic benefits to be derived from the leased property when the lease term is equal to a major portion (usually 75% or more) of the economic life of the leased property. This is due to the fact that new equipment reflecting later technology and in prime condition, may be assumed to be more efficient than old equipment which has been subject to obsolescence and wear;

(3) the lessor would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement. This condition would exist if the present value (the discount rate used by the lessee would be the lower of the lessee's rate for incremental borrowing and the interest rate implicit in the lease, if known) at the beginning of the lease term, of the minimum lease payments, excluding any portion thereof relating to executory costs, is equal to substantially all (usually 90% or more) of the fair value of the leased property, at the inception of the lease.

In view of the fact that land normally has an indefinite useful life, it is not possible for the lessee to receive substantially all the benefits and risks associated with its ownership, unless there is reasonable assurance that ownership will pass to the lessee by the end of the lease term.

CAPITAL LEASES (CONTINUED)

The existence of any of the following conditions by themselves is not sufficient evidence that substantially all the benefits and risks of ownership have been transferred to the lessee;

(a) lessee pays costs incidental to ownership. This condition is considered inappropriate because in virtually all leasing agreements the lessee will either directly or indirectly pay such costs;

(b) lessee has the option to purchase the asset for the lessee's unrecovered investment. This condition is considered inappropriate because there is no assurance that the lessee will exercise the option.

(c) leased property is special purpose to the lessee. This condition is considered insufficient because the concept of "special purpose" is relative and difficult to define. In addition, the fact that leased property is special purpose does not, in itself, evidence a transfer of substantially all of the benefits and risks of asset ownership. Although it is expected that most lessors would lease special purpose property only under terms that transfer substantially all of those benefits and risks to the lessee, nothing in the nature of special purpose property necessarily entails such terms.

A capital lease is to be capitalized as a fixed asset and as a long term liability on the appropriate capital fund balance sheet.

A capital lease where the total commitment exceeds $100,000 requires approval from the Minister of Service Nova Scotia and Municipal Relations.

ALLOCATION OF MUNICIPAL COSTS TO CAPITAL PROJECTS

Where possible, the municipality is to charge costs incurred on behalf of a capital project directly to that project.

Where a municipality's engineering department handles all aspects of day to day maintenance as well as a number of capital projects and it is not possible to identify the capital portion of these costs, an allocation of 14% of the capital cost or such lesser amount as appropriate may be credited to engineering cost and charged to the capital project.

The capital allocation is to be charged in the operating fund as a capital expenditure out of operations.

LONG-TERM DEFERRED CHARGES

There are certain circumstances wherein a Municipality must incur significant costs in the short term for which a capital asset has not been acquired and for which long-term borrowings must be obtained. Two specific examples provided for in the Municipal Government Act are costs incurred for tree removal (Section 63) and contributions to hospitals (Section 65(at)). Significant costs for tree removal and contributions to hospitals which are to be funded by long term borrowings are to be set up on the records as long term deferred charges. The deferred charges are to be amortized as the long-term debt is paid down.

REGIONAL SCHOOL BOARDS

School capital assets which are owned by the municipality, but which are being used by and under the control of the regional school board for such period as they are required by that board for school purposes, will form part of the municipality's school capital fund.

At the time a school capital fund asset is no longer required by the regional school board it will revert back to the municipality to be disposed of as the unit sees fit. The municipality's portion of the proceeds on the disposal of the school board asset will go into the Capital Reserve Fund.

The status of these school capital assets should be disclosed in a note to the financial statements.

EQUITY IN CAPITAL ASSETS OF OTHER ENTITIES (LESS THAN 100%)

The equity which the municipality has in the capital assets of a committee, board, authority or other such entity in which it does not have a 100% interest is to be reflected in the fixed assets under each category of asset. Examples are homes for special care, solid waste disposal facilities and other assets co-owned under joint services agreements.

Note:
The equity is only to be set up as a capital asset in those instances where the municipality has legal title to a portion of the assets of the committee, board, or authority or other such entity should it be wound up. If the unit has no ability to acquire legal title to the assets, in this instance the expenditure is to be recorded as set out in Section 4025 - Capital Contributions to Non Municipal Fixed Assets.

REPAYMENT OF LONG TERM DEBT

The principal and interest payments made during the year are to be reflected as an item of expenditure in the operating statement in the fund in which the debt occurs.

CONSOLIDATION ELIMINATIONS

In the process of consolidating the accounts of the municipality the following eliminations are to take place.

(1) Inter-fund receivables and payables except for long-term borrowings from special reserve funds.

(2) Inter-fund operating costs/revenue.

(3) Payment/receipt of funds to/from a sponsored board or commission in which the municipality has a 100% interest.

Note:
Examples of eliminations would include fire protection charges and taxes paid by the water utility to the general operating fund.

AUDITOR AND APPOINTMENT

(1) A person licensed as a public accountant pursuant to the Public Accountants Act may be registered as a municipal auditor.

(2) A firm or partnership may be registered as a municipal auditor if a majority of the members of the firm or partnership are licensed as public accountants pursuant to Public Accountants Act.

(3) A person, firm or partnership shall not act as, or exercise or perform any of the duties of, a municipal auditor unless registered as a municipal auditor pursuant to the provisions of Section 457 of the Municipal Government Act.

No person shall be appointed as auditor who, at any time during the fiscal year in which the auditor is appointed, is or has been;

(a) a council member
(b) a contractor hired by the Municipality
or
(d) an employee of the Municipality except that an auditor may be reappointed as auditor.

Note:
Clause (b) above has been interpreted by Service Nova Scotia and Municipal Relations as enabling a registered municipal auditor to engage in management consulting functions and thereby provide additional services such as water rate studies, amalgamation/ annexation reviews and human resource advice.

In order for a registered municipal auditor to provide services in addition to those as auditor, it is recommended that Council pass a resolution authorizing the appointment for the required service and that the registered municipal auditor supplement this resolution by an engagement letter confirming the terms of the appointment.

Financial advice of an ongoing nature provided during the year by the auditor will not require a resolution of Council.

AUDITOR AND APPOINTMENT

"Management consulting" includes investigating and identifying management and business problems related to the policy, organization, operational, financial, administrative or technical aspects of organizations and recommending appropriate solutions.

AUDITOR'S REPORT

The consolidated financial statements, and all other accounts and funds which require an audit as defined by legislation, shall be accompanied by an auditor's report in a form that is acceptable to Service Nova Scotia and Municipal Relations and is in accordance with generally accepted auditing standards.

The auditor's report shall be filed, by the auditor, with the municipality and the Minister of Service Nova Scotia and Municipal Relations by July 31 in each year.

AUDITOR'S REPORT

(To be addressed to the Mayor)
(or Warden and Council of the)
(Municipality)

We have audited the consolidated balance sheet of the (Municipality) as at March 31, 20__ and the consolidated statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the (Town's/Municipality's) management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards adopted for Nova Scotia Municipalities. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the (Municipality) as at March 31, 20____ and the results of its operations and the changes in its cash flow for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia Municipalities.

Place, Nova Scotia

Date, 20xy

Registered Municipal Auditor

AUDITOR'S REPORT

(To be addressed to the Mayor)
(or Warden and Council of the)
(Municipality)

We have audited the Operating Fund and Capital Fund Balance sheets of the General Fund, the Water Utility, Trust Funds and Reserve Funds of the (Municipality) as at March 31, 20__ and the statements of operations and capital financing for the year then ended. These financial statements are the responsibility of the (Town's/Municipality's) management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the (Municipality) as at March 31, 20___ and the results of its operations and the changes in its capital position for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia Municipalities.

Place, Nova Scotia

Date, 20xy

Registered Municipal Auditor

GENERALLY ACCEPTED AUDITING STANDARDS

Generally Accepted Auditing Standards are as follows:

GENERAL STANDARD

The examination should be performed and the report prepared by a person or persons having adequate technical training and proficiency in auditing, with due care and with an objective state of mind.

EXAMINATION STANDARDS

(1) The work should be adequately planned and properly executed. If assistants are employed, they should be properly supervised.

(2) A sufficient understanding of internal control should be obtained to plan the audit. When control risk is assessed below maximum, sufficient appropriate audit evidence should be obtained through tests of controls to support the assessment.

(3) Sufficient appropriate audit evidence should be obtained, by such means as inspection, observation, enquiry, confirmation, computation and analysis, to afford a reasonable basis to support the content of the report.

(4) The auditor must ensure that the municipality has performed its duties in accordance with the particular Act(s) and special legislation under which it is governed but not limited to:

  (a) the bonding of employees

  (b) the approval of the Minister of Service Nova Scotia and Municipal Relations for:

    (1) borrowings by a municipality other than borrowing for the purpose of providing for payment of part of the annual expenditures, a guarantee of a borrowing or a long term commitment which exceeds $100,000.

    (2) the issuance of debentures or other term debt.

GENERALLY ACCEPTED AUDITING STANDARDS

(c) the filing of claim forms or returns immediately upon receipt of all the applicable information with the appropriate department or government so as to avoid delay in receiving payment of grants, contributions or tax rebates (federal and provincial).

(d) the verification that all capital expenditures were incurred for the purpose for which the debenture issue or term debt was authorized.

(e) the authority to raise funds for the purpose of paying those amounts (if any) reported on the respective capital fund balance sheets as "due to operating funds."

(f) the verification that all expenditures incurred (capital and operating) were spent on items for which the municipality had authority.

(g) the approval of municipal council for commitments and expenditures incurred by the administration on behalf of the municipality.

REPORTING STANDARDS

(i) The scope of the auditor's examination should be referred to in the report.

(ii) The report should contain either an expression of opinion on the financial statement or an assertion that an opinion cannot be expressed. In the latter case, the reasons therefore should be stated.

(iii) Where an opinion is expressed, it should indicate whether the financial statements present fairly, the financial position, results of operations and cash flow in accordance with an appropriate disclosed basis of accounting, which should be generally accepted accounting principles adopted for Nova Scotia Municipalities. The report should provide adequate explanation with respect to any reservation contained in such opinion.

(iv) Where an opinion is expressed, the report should also indicate whether the application of the disclosed basis of accounting is consistent with that of the preceding period. Where the basis or its application is not consistent, the report should provide adequate explanation of the nature and effect of the inconsistency.

MUNICIPAL AUDIT COMMITTEES

General

Municipalities in Nova Scotia have a significant degree of public accountability and are required to establish an audit committee.

An audit committee acts as an advisory body carrying out critical review functions on behalf of Council. In the early 1980's, a Canadian Institute of Chartered Accountants research study indicated that audit committees could strengthen procedures used by Council in approving financial statements particularly in view of the large amount of public funds under their control. The study also suggested that audit committees be a requirement for all municipalities or as an alternative, the external auditor meet with Council at least once a year before approval of the annual financial statements.

In Nova Scotia, it is a requirement that all municipalities establish an audit committee. The duties of the audit committee can be performed by a separate committee or they may be delegated to an existing committee such as the finance committee. In some instances, Council itself may wish to perform the duties of the audit committee.

Irrespective of the composition of the audit committee, there will be a requirement that meeting dates be specifically established and an agenda developed to address its terms of reference. (See Responsibilities and Functions)

Purpose

The objectives of an audit committee are to:

- help Council meet their fundamental responsibilities of protecting the municipal assets and managing operations as efficiently as possible;
- provide better communication between the auditor and Council and promote better understanding of the audit process;
- enhance the external auditor's independent position;
- increase the credibility and objectivity of the municipality's financial report; and
- strengthen the role of Council and committee members.

MUNICIPAL AUDIT COMMITTEES (continued)

Composition

The composition of audit committees can vary, the only suggestion being a minimum number of three members. The membership is normally restricted to elected members of Council, although it may be complemented by an appointed official who may attend as required by the committee and can provide much continuity and background.

There will on occasion be a need for the auditor to meet with the audit committee without their being any appointed officials present and this would be accommodated through a request by either the committee or the auditor to one another.

This is consistent with the recommendations of the June 1988 Report of the Commission to Study the Public's Expectations of Audits, more commonly referred to as the MacDonald Commission.

Responsibilities and Functions

The scope and functions delegated to an audit committee will depend on each Council's wants. The committee should be constituted by a policy of Council which would provide the terms of reference of its responsibilities and functions. Generally, it should have unrestricted and complete authority to delve into any affair of the municipality with full access to the management and auditor.

It should maintain minutes of its meetings and submit written reports to Council or Council as a committee of the whole. Normally, the meetings coincide with the stages of the audit:

- First, before the commencement of the audit to review the audit program and the estimated audit fee;
- Second, after the interim audit to discuss the auditor's findings on internal control; and
- Third, after the completion of the audit to review the annual financial report, management or internal control letter and final audit fee.

MUNICIPAL AUDIT COMMITTEES (continued)

There should be no set number of meetings since the committee should convene whenever circumstances demand such a meeting. At an initial meeting it might be beneficial to have the roles and responsibilities of the Auditor and the Committee discussed and understood to avoid misunderstandings at a later date.

The functions of a municipal audit committee may be categorized as follows:

Related to the Audited Annual Financial Report

- Review the audited annual financial statements in depth with management and the external auditor; if satisfied that they present fairly the financial position and results of operations, recommend their approval to Council, and;

- Review any changes in accounting principles and practices followed by municipalities.

Related to the Work of the Auditor

- Discuss with the auditor the annual evaluation of the internal control systems and the recommendations for improvements; obtain and review a management letter addressed to Council; obtain management response to the recommendations from prior years.

- Discuss the extent, timing and completion of the audit including the level of materiality to be used;

- Review estimated and final audit fee;

- Recommend to Council the change of the municipal auditor if management questions the competence of the incumbent auditor and the committee confirms the view. The recommendation to appoint a new auditor would follow an adequate inquiry into the auditor's competence and reputation.

- Review the problems and restrictions encountered by the auditor and degree of cooperation received;

MUNICIPAL AUDIT COMMITTEES (continued)

- Promote cooperation between the management and the auditor;
- Discuss whether a letter of engagement and/or a letter of representation exists as part of the audit file.

Related to General Administrative Oversight

- Enquire fully into any activities or transactions that may be illegal, questionable or unethical, and into the municipality's control procedures to ensure that such activities are being guarded against.
- Review adequacy of staffing in relation to both number and competence for accounting and financial responsibilities.
- Review the overall reasonableness of expenses of the Town Clerk/Chief Administrator and of Council Members (the C.A.O. can review the reasonableness of other appointed official's expenses).

Filing Requirements with Service Nova Scotia and Municipal Relations

The Auditor of a municipality will be required to file with the Department the following:

- Management or Internal Control Letter: In the course of their evaluation of internal control and completion of the year end audit, auditors may observe deficiencies in internal control, potential sources of other revenue, inefficiencies in administration, possible instances of non-compliance to statutes or regulations and/or other irregularities which might be detected and would appear in this letter.
- Auditor's Report and Audited Financial Statements: The form of the Auditor's Report should follow the form of the sample contained in the Municipal Accounting and Reporting Manual (Section 5021; 5022). The financial statements are essentially a stewardship report to Council to satisfy them that management has properly accounted for the resources entrusted to them and that these resources were effectively used. (Section 5020)
- Letter from Auditors highlighting significant points in the financial statements.

CONSOLIDATED BALANCE SHEET

The Consolidated Balance Sheet is to report the financial position of the municipality including the operating fund, reserve funds, and the capital fund together with the assets and liabilities of such local boards, and utilities as required under the general accounting principle of consolidation.

Assets, liabilities and residual balances for trust funds are not to be consolidated.

For the purpose of these statements, accounts receivable and accounts payable between consolidated funds and entities are to be eliminated.

Assets are to be segregated between unrestricted and restricted - so as to identify those funds which are available for operating purposes from those which have been or are required to be set aside for specific purposes.

Within these categories assets are to be arranged in order of their liquidity.

Liabilities are to be arranged in order of liquidation.

In those instances where an asset of a reserve fund does not meet the requirements of the Trustee Act, a note to the financial statements is required.

CAPTION CONTENT

ASSETS

Cash - unrestricted

- all cash including bank and other deposits that are available on demand

- cash in foreign currencies is to be converted to Canadian dollars at the exchange rate in effect at the date of the balance sheet.

Cash - restricted

- include all funds which are not available to be used for operating purposes

CONSOLIDATED BALANCE SHEET

Investments

- all investments held by the municipality on a short term basis.
- all investments shall be shown at cost
- investments in foreign currency are to be converted to Canadian dollars at the rate of exchange in effect at the date of the balance sheet.

Receivables

Taxes and rates

- the balance of outstanding taxes and rates including those items that have been added to the tax roll, such as utilities arrears, drainage charges, local improvement charges.
- user charges receivable including those for water works, sewer surcharges and transit.

Other

- amounts receivable for goods or services including amounts receivable from other governments for the sale of goods or services arising during the normal course of business.
- amounts receivable from any department or agency of the Government of Canada for such items as subsidies or payments in lieu of taxes.
- amounts receivable from any ministry or agency of the Province of Nova Scotia for such items as subsidies, payments in lieu of taxes or sales tax rebates.

Other operating assets

- amounts set up as inventories

Long term loan receivable

- include all loans outstanding whose repayment period extends beyond one year.
- loans from reserve funds to finance capital projects.
- other loans provided as long-term financing.

CONSOLIDATED BALANCE SHEET

Property Acquired at Tax Sale

- all property acquired by the municipality at tax sale.

Fixed Assets

- the cost of all fixed assets owned by the municipality.
- the capitalized cost of a lease agreement.
- the equity in the physical plant of non-consolidated entities in which the municipality has ability to exercise legal title on wind up.

LIABILITIES

Temporary Loans

- include short-term borrowing pending receipt of revenues, temporary financing for capital purposes, and bank overdrafts.
- separate short-term borrowings from capital borrowings to be funded upon completion of capital project.

Accounts Payable and Accrued Liabilities

- trade accounts payable, payroll deductions, holdbacks and accrued liabilities for goods and services received before the year end.
- amounts payable to the Government of Canada, the Province of Nova Scotia and to other municipalities.
- amounts payable to non-consolidated local boards, utilities, trust funds and sinking funds.

Other Liabilities

Include here any other liabilities such as:

- special charges commuted.
- other deferred and restricted revenues.

CONSOLIDATED BALANCE SHEET

Long Term Liabilities

- long-term liabilities are the total debt incurred adjusted to reflect the obligations assumed by or from other municipalities, non-consolidated local boards, school boards and other.
- investments in the municipality's own debentures held in the consolidated funds are not to be eliminated.

The balance of long-term liabilities is to be calculated as follows:

- long-term liabilities incurred by the municipality including those incurred on behalf of other municipalities, non-consolidated local boards, utilities, school boards, and others.
- add long-term liabilities incurred by other municipalities and assumed by the reporting municipality.
- add the capitalized value of the debt acquired under a capital lease agreement.
- deduct long-term liabilities incurred by the reporting municipality and assumed by others including other municipalities, non-consolidated local boards and school boards.

Tax Sale Surplus

- surplus amounts received at tax sale for which the municipality may be required to redeem.

Fund balances at the end of year

Include here:

- accumulated net revenue (deficit) of the municipality and its consolidated local boards, municipal enterprises, and utilities.
- the investment in capital assets.
- amounts set aside for specific purposes such as reserve funds created by Council or as required by legislation, regulation or agreement.

CONSOLIDATED STATEMENT OF OPERATIONS

The Consolidated Statement of Operations is to report the operations and equity balances of the municipality including the operating fund and the operations of such local boards as required under the general accounting principles for consolidation and for the reporting of revenues and expenditures. Separate supporting schedules may be prepared for the operating transactions in individual funds.

Revenues are to be classified by source and current expenditures by function. The number of individual items to be disclosed should be based solely on the principle to disclose significant information in a meaningful way.

NOTES TO THE FINANCIAL STATEMENTS

Notes to the financial statements are useful for the purpose of clarification or further explanation of the items in the financial statements. Notes have the same significance as if the information or explanations were set forth in the body of the statements themselves.

Specific notes required:

1) Accounting policies
Notes are required to disclose the accounting policies with respect to:

(a) Basis of consolidation

- specifically describe the extent to which the operations, assets and liabilities of the municipality have been consolidated as required under the general accounting principle for consolidation.
- included are reserve funds, capital fund, local boards, joint local boards, and utilities identifying those which are and those which are not consolidated or the extent to which they are consolidated.
- specifically disclose that the assets and liabilities, and the revenues and expenditures for trust funds are not consolidated.

(b) Basis of accounting

- specify that the financial statements have been prepared using the modified accrual basis of accounting and briefly describe what that means.
- disclose that historical costs (and accumulated depreciation where applicable) are used for fixed assets reported for municipal purposes.

(c) Failure to comply with accounting policies

- specify any accounting policy(ies) which has (have) not been applied in the financial statements.
- disclose the amount of the resulting impact(s) on the balance of municipal equity.

2. Contributions to unconsolidated joint local boards
   - further to the note on the basis of consolidation, disclose that the operations, assets and liabilities of joint local boards are not consolidated.
   - disclose the amount of the municipality's contribution to the joint local board which is included in the "Consolidated Statement of Operations."
   - disclose also the municipality's share of the accumulated surplus (or deficit) at the end of the year with comparative figures, and of the amounts of liability, real or contingent, that the municipality may be required to meet.
3. Trust funds
   - further to the note on the basis of consolidation, disclose the total amount of the assets under administration.
4. Long term liabilities
   - disclose the long term liabilities incurred and outstanding at the end of the year and reconcile this amount with the long term liabilities reported on the "Consolidated Balance Sheet."
   - disclose the amounts of the next five years principal payments to be made on the outstanding long term liabilities.
   - where any outstanding long term liability is payable in a foreign currency, a note is required to disclose the amount of the liability, the currency in which it is payable and the basis of translation into Canadian funds.
   - when the carrying value differs from the liability translated at the rate of exchange prevailing at the end of the year, the amount of any significant differences should be disclosed.
   - exclude the outstanding long term liabilities for those local boards, and utilities whose operations are not consolidated unless the debt charges are to be recovered from general taxation.
   - exclude the outstanding long term liabilities assumed by other municipalities which are essentially flow throughs.
   - state that Service Nova Scotia and Municipal Relations has or has not approved the long term financing which has occurred and is outstanding at the end of the year.

5. Municipal fund balances at the end of the year
   - distinguish between amounts to be included as revenue (expenditure) in determining next year's taxation or user charges, and those amounts restricted in their use by Council, or by legislation, regulation, or agreement.
   - provide necessary details for those amounts which are related to benefitting landowners, rather than to all the ratepayers in the municipality.

6. Reserve funds
   - distinguish between amounts set aside by Council from those required by legislation, regulation, or agreement.
   - list individual reserve fund balances with comparative figures.
   - disclose in summary form the changes in reserve fund balances.

7. Charges for long term liabilities
   - disclose the amount of principal and interest charges on long term liabilities and the extent to which they are reflected in these statements.

8. Contingent liabilities
   - disclose the amount of long term liabilities outstanding for those entities and utilities whose operations are not consolidated.
   - disclose the amount of long term liabilities issued in the name of the municipality and assumed by others.
   - disclose the amount of long term liabilities of others guaranteed by the municipality.

9. Disclosure

   The financial statements of the municipality shall set out the total remuneration paid to each member of the council and the Chief Administrative Officer.

10. The following other notes should be provided as required:

(a) Contractual obligations
- disclose contracted obligations and commitments that are abnormally large in relation to the usual operations of the municipality

(b) Extraordinary items
- disclose the effect and nature of the occurrences of individual items where separate disclosure on the "Consolidated Statement of Operations" is not practical.

- items resulting from events and transactions of a similar nature may be shown in the aggregate.

- to be included in the determination of the surplus (deficit) for the year.

(c) Changes in accounting policy
- disclose the nature of the change, its effect on the current year's financial statements including the effect on the municipal equity.

(d) Comparative figures
- disclose the amount by which the prior year's comparative figures have been restated for changes in accounting policy

(e) Subsequent events
- disclose nature of the events and the financial effect of such events on the financial statements.

- where appropriate, disclose that an estimate of the effect cannot be made.

TRUST FUNDS BALANCE SHEET AND STATEMENT OF CONTINUITY

This statement is to report only those funds which are held in trust by or on behalf of the municipality. Trust funds of local boards and utilities are not to be consolidated under the general accounting principle for consolidation.

CAPTION CONTENT

BALANCE SHEET

Cash
- bank balances and other deposits available on demand

Investments
- specify all investments of the fund providing both cost and market value

Other
- specify assets of the fund other than cash and investments

Liabilities
- the liabilities of the fund classified as accounts payable and accrued liabilities and other

Balances
- the balance of the fund classified were appropriate by Capital and Income

STATEMENT OF CONTINUITY

Balance at the beginning of the year
- the fund balance at the end of the previous year

Capital receipts
- contributions received which are applicable to the capital portion of the fund

Interest earned
- interest received or receivable from the investments of the fund

TRUST FUNDS BALANCE SHEET AND STATEMENT OF CONTINUITY

Other revenue
- the aggregate of other revenue earned by the fund

Expenditure
- specify any expenditures of the fund

Balance at the end of the year
- the fund balance at the end of the year

SUPPLEMENTARY SCHEDULES

The preparation of supplementary schedules is a mandatory requirement of the Manual of Accounting and Reporting Practices for Nova Scotia Municipalities.

Where supplementary schedules are prepared, such schedules should reflect compliance with the accounting principles and disclosure guidelines set out in the Manual.

Municipality of ABC

Financial Statements

March 31, 20XY

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DEF Guest Home Corporation . . . . B

(MUNICIPALITY OF ABC)

NON-CONSOLIDATED

FINANCIAL STATEMENTS

MARCH 31, 20XY

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AUDITOR'S REPORT

(To be addressed to the Mayor)
(or Warden and Council of the)
(Municipality)

We have audited the Operating Fund and Capital Fund Balance sheets of the General Fund, the Water Utility, Trust Funds and Reserve Funds of the (Municipality) as at March 31, 20__ and the statements of operations and capital financing for the year then ended. These financial statements are the responsibility of the (Town's/Municipality's) management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards adopted for Nova Scotia Municipalities. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the (Municipality) as at March 31, 20__ and the results of its operations and the changes in its capital position for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia Municipalities.

Place, Nova Scotia

Date, 20XY　　　　Registered Municipal Auditor

(MUNICIPALITY) OF ABC

GENERAL SECTION

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

		20XY		20XX
Revenue	**Page**	**Budget**	**Actual**	**Actual**
Taxes	A-9	$5,038,270	$5,225,472	$4,439,276
Grants in lieu of taxes	A-9	101,000	90,998	101,386
Services provided to other governments	A-10	26,600	25,221	18,425
Sales of services	A-11	25,000	17,986	44,011
Other revenue from own sources	A-11	303,100	344,981	306,981
Unconditional transfers from other governments	A-11	528,043	523,896	509,966
Conditional transfers from Federal or Provincial governments or agencies	A-12	721,973	720,643	575,125
Conditional transfers from other local governments	A-13	5,300	4,005	5,247
Other transfers, collections for other governments	A-13	189,000	183,800	403,383
		6,938,286	7,137,002	6,403,800
Expenditures				
General Government Services	A-14	459,800	467,115	432,376
Protective Services	A-16	1,100,000	1,083,259	972,520
Transportation Services	A-17	628,000	702,404	604,532
Environmental Health Services	A-18	381,480	430,145	392,945
Public Health	A-18	4,000	6,000	131,461
Environmental Development Services	A-19	249,000	263,427	182,964
Recreation & Cultural Services	A-20	130,405	108,421	101,937
Fiscal Services	A-22	3,985,601	4,030,977	3,633,065
Extraordinary & Special Items (Note 14)	A-22		38,801	
		6,938,286	7,130,549	6,451,800
Surplus (Deficit)	$	Nil	$ 6,453	$ (48,000)
		=======	=======	=======

(MUNICIPALITY) OF ABC

GENERAL SECTION

OPERATING FUND BALANCE SHEET

MARCH 31, 20XY

ASSETS

	20XY	20XX
Cash	$	$ 365,063
Receivables		
Taxes (Notes 3, 8, 10)	565,268	584,990
Due from federal government and its agencies	2,280	16,316
Due from provincial government and its agencies (Note 9)	146,741	249,766
Due from Hospitals		
Due from other local governments	17,820	
Due from own funds and agencies		
General capital fund (Note 4)	478,982	235,822
Other receivables		
Trade accounts	6,480	6,738
	1,217,571	1,093,632
Loans and advances		
Short-term		
Long-term		
DEF Guest Home Corporation (Note 5)	485,000	
Investments		
Tangible assets		
Inventories of materials and supplies at cost	102,800	100,111
Other tangible assets	-	-
	102,800	100,111
Other assets		
Prepaid Expenses	5,500	
Deferred Expenses	2,000	
Other Assets	1,000	
	8,500	
	$1,813,871	$1,558,806
	========	========

ON BEHALF OF THE (MUNICIPALITY)

_________________________ Mayor/Warden

_________________________ Clerk

(MUNICIPALITY) OF ABC

GENERAL SECTION

OPERATING FUND BALANCE SHEET

MARCH 31, 20XY

LIABILITIES

	20XY	20XX
Short term borrowings		
For current purposes	$ 28,910	$
For capital purposes	350,000	
	378,910	
Payables		
Federal Government and its Agencies	1,000	
Provincial Government and its Agencies	40,000	
Other Local Governments	5,000	
Trade accounts	101,245	220,374
Debenture Instalments		
Accrued Payables (Note 6)	30,000	25,000
Other Payables		
	177,245	245,374
Other Liabilities		
Prepayment of taxes	16,931	11,562
Unexpended special assessments - Sewer rates	11,757	2,295
Deferred revenue		
Other - Tax sale surplus (Note 7)	5,264	5,264
	33,952	19,121

EQUITY

	20XY	20XX
Surplus (Note 11)	1,223,764	1,294,311
	$2,056,262	$1,558,806
	=========	=========

(MUNICIPALITY) OF ABC

GENERAL SECTION

GENERAL CAPITAL FUND BALANCE SHEET

MARCH 31, 20XY

ASSETS

	20XY	20XX
Cash	$ 67,363	$ 44,490
Receivables Due From		
Federal Government and its Agencies		
Provincial Government and its Agencies		12,346
From Local Governments		
Own Funds and Agencies		
Other Receivables		
Loans and Advances		
Short Term		
Long Term		
Investments		
Tangible Assets		
Fixed Assets	11,788,000	10,887,071
Works in Progress	81,271	
Other Tangible Assets		
Debt Charges Recoverable		
Other Assets		
Property acquired at tax sale	12,000	
Deferred Recoveries of Extraordinary Expenditures		
	$11,948,634	$10,943,907

ON BEHALF OF THE (MUNICIPALITY)

________________________ Mayor/Warden

________________________ Clerk

(MUNICIPALITY) OF ABC

GENERAL SECTION

GENERAL CAPITAL FUND BALANCE SHEET

MARCH 31, 20XY

LIABILITIES

	20XY	20XX
Short Term Borrowings	$	$
Payables		
Federal Government		
Provincial Government		
Other Local Governments		
Own Funds and Agencies (Note 4)	478,982	235,822
Trade account	41,365	
Accrued Payables		
Other Payables		
	520,347	235,822
Long Term Debt (Note 13)		
Debentures Issued to Federal Government or its Agencies	1,108,918	1,148,410
Debentures Issued to Provincial Government or its Agencies	9,029	10,759
Other Debentures	168,200	212,400
Long Term Borrowings Not Secured by Debentures	466,013	448,030
	1,752,160	1,819,599
Other Liabilities		-
Equity in Capital Assets	9,676,127	8,888,486
	$11,948,634	$10,943,907
	=========	=========

(MUNICIPALITY) OF ABC

GENERAL SECTION

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

MARCH 31, 20XY

	20XY	20XX
Balance, beginning of year	$8,888,486	$7,700,452
Add:		
Term debt retired	139,184	148,362
Term repayment to reserve funds	66,687	69,538
Capital from operations	13,348	350,947
Grants for capital purposes		
Capital grant	198,978	102,975
Department of Transportation	101,070	197,500
Department of Recreation	15,000	
Community Services Program	37,509	12,346
Special Program	115,972	128,422
Transfers from Reserve Funds	140,799	183,822
Interest income	10,530	7,011
	839,077	1,200,923
	9,727,563	8,901,375
Less:		
Residual Capital grant transferred to Reserve Fund - Capital Reserve Fund	43,725	
Proceeds on disposal of land transferred to Reserve Fund - Capital Reserve Fund	801	
Write down of capital assets		
Loss on disposal of capital assets	6,910	12,889
	51,436	12,889
Balance, end of year	$9,676,127	$8,888,486
	=========	=========

MUNICIPALITY OF ABC

GENERAL SECTION

PROPERTY AND EQUIPMENT

MARCH 31, 20XY

	Buildings	Plant Equipment	Other	20XY Total	20XX Total
General government services	$ 80,803	$ 137,810		$ 218,613	$ 205,693
Protective services					
Police	74,957	53,224		128,181	125,446
Fire	172,456	131,211		303,667	231,935
Transportation services					
Common services	26,711	452,699		479,410	392,151
Road transport					
Streets			$5,622,020	5,622,020	4,963,896
Sidewalks			217,199	217,199	186,774
Bridges			189,724	189,724	189,724
Traffic lights		118,333		118,333	78,833
Parking grounds		44,935	98,434	143,369	143,369
Environmental Health Services					
Sewage collection & disposal		65,200	1,071,609	1,136,809	1,136,809
Equity in central disposal system			2,659,736	2,659,736	2,659,735
Garbage & waste collection & disposal		65,783	107,240	173,023	116,621
Public Health & Welfare Services					
Equity in DEF Guest Home Corporation	5,500			5,500	5,500
Recreation & Community Services					
Library	74,957			74,957	73,505
Museums	53,778			53,778	53,778
North End recreation building	89,275			89,275	89,275
South End recreation building	55,259		70,000	125,259	125,259
Track & field improvements			50,000	50,000	28,350
Tennis courts		23,766		23,766	23,766
Down Street building	43,652			43,652	43,652
Trotting park			13,000	13,000	13,000
	$677,348	$1,092,961	$10,098,962	$11,869,271	$10,887,071

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHOOL CAPITAL FUND BALANCE SHEET

MARCH 31, 20XY

	20XY	20XX
ASSETS		
School buildings (Note 16)	$5,273,995	$5,273,995
Land	36,000	36,000
	$5,309,995	$5,309,995
	========	========
LIABILITIES		
EQUITY		
Investment in school capital assets	$5,309,995	$5,309,995
	=========	=========

ON BEHALF OF THE (Municipality)

______________________________ Mayor/Warden

______________________________ Clerk

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
	Budget	Actual	Actual
1. **Taxes**			
Assessable property			
Residential	$2,768,815	$2,919,027	$2,711,440
Commercial			
Commercial Property	1,106,160	1,112,281	718,636
Based on Special Tax Agreements or legislation			
Big Paper Company Limited	105,000	105,000	105,000
Small Manufacturing Limited	15,000	15,689	14,865
	1,226,166	1,232,970	838,501
Resource			
Taxable Assessments	120,160	119,542	93,819
Recreational Property Tax	600	560	545
Forest Property Tax (less than 50,000 acres)	78,045	78,947	77,950
Forest Property Tax (50,000 acres or more)	36,000	36,951	36,824
	234,805	236,000	209,138
Area Rates			
Protective Services	74,900	75,982	67,127
Transportation Services	57,000	59,224	56,829
Environmental Health Services	7,500	8,202	7,521
Environmental Development	31,892	31,892	30,400
Recreation, Cultural Services	12,000	12,628	12,104
Other			
	183,292	187,928	173,981
Other			
Special Assessments			
Frontage Rates			
Transportation Services	22,500	22,687	20,984
Environmental Health Services	8,100	8,923	8,064
	30,600	31,610	29,048
Special Assessments			
Other			
Environmental Health Services	3,000	3,000	3,000
Transportation Services	3,000	3,298	3,047
	6,000	6,298	6,047
Subtotal	4,449,678	4,613,833	3,968,155

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
	Budget	Actual	Actual
1. **Taxes (Cont'd)**			
Balance Forward	$4,449,678	$4,613,833	$3,968,155
Business Property			
Business Occupancy	444,918	458,971	331,045
Based on Revenue (M.T.& T.)	42,704	43,769	42,638
Power Corporation	25,000	25,000	25,000
Power Corporation (HST Rebate)	25,000	27,314	21,517
	537,622	555,054	420,200
Other			
Deed Transfer Tax	36,830	40,588	36,879
Change of Use Tax	14,140	15,997	14,042
Other			
	50,970	56,585	50,921
	$5,038,270	$5,225,472	$4,439,276
	========	========	========
2. **Grants in Lieu of Taxes**			
Federal Government	$ 65,020	$ 51,339	$ 64,457
Federal Government Agencies			
Canadian Broadcasting Corporation	1,100	1,206	1,292
Canadian National Railways	7,400	6,268	8,249
Cape Breton Development Corporation	1,185	1,064	1,341
National Harbours Board	1,740	1,991	1,960
Canada Post	1,525	1,269	1,773
Atomic Energy of Canada Limited	1,650	602	1,899
	14,600	12,400	16,514
Provincial Government			
Provincial Property and Property of supported Institutions	3,800	5,210	3,108
Crown Timber Lands	1,200	1,627	1,163
Fire Protection	2,480	3,041	2,179
	7,480	9,878	6,450
Provincial Government Agencies			
Liquor Commission	10,400	12,342	10,375
Sydney Steel Corporation	500	566	469
Business Development Corporation	1,900	2,604	1,827
Other	1,100	1,869	1,294
	13,900	17,381	13,965
	$ 101,000	$ 90,998	$ 101,386
	======	======	======

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XX

	20XY		20XX
	Budget	Actual	Actual
3. Services provided to other governments			
Federal government			
General Government Services	$	$	$
Protective Services	1,200	1,104	763
Transportation Services			
Environmental Health Services			
Public Health & Welfare Services	1,300	1,299	1,192
Environmental Development Services	1,020	1,004	327
Recreation & Cultural Services			
Fiscal Services			
Other			
	3,520	3,407	2,282
Provincial government			
General government services			
Protective Services	1,200	1,173	720
Transportation Services			
Environmental Health Services			
Public Health & Welfare Services			
Environmental Development Services			
Recreation & Cultural Services			
Fiscal Services			
Other			
	1,200	1,173	720
Other local government			
General Government Services	800	797	708
Protective Services	15,900	14,940	11,099
Transportation Services	500	423	428
Environmental Health Services	1,500	1,496	964
Public Health & Welfare Services	1,200	1,160	1,102
Environmental Development Services	1,000	929	420
Recreation & Cultural Services	980	896	702
Fiscal Services			
Other			
	21,880	20,641	15,423
	$ 26,600	$ 25,221	$ 18,425
	======	======	======

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

4. Sales of Services

	20XY Budget	20XY Actual	20XX Actual
General government services	$ 4,500	$ 3,921	$ 6,247
Protective Services	1,950	1,763	5,509
Transportation Services	2,040	1,927	4,223
Environmental Health Services	2,550	2,390	5,884
Public Health & Welfare Services	2,700	2,677	5,173
Environmental Development Services	2,060	1,844	6,398
Recreation & Cultural Services	6,600	2,163	6,732
Other	2,600	1,301	3,845
	$ 25,000	$ 17,986	$ 44,011
	=======	=======	=======

5. Other Revenue From Own Sources

	20XY Budget	20XY Actual	20XX Actual
Licenses and permits	$ 6,500	$ 6,023	$ 4,239
Fines	42,040	40,155	53,431
Rentals	12,000	11,570	7,120
Concessions and Franchises	11,460	12,623	10,942
Return on Investments	164,000	208,828	170,473
Penalties and Interest on Taxes	50,000	49,606	58,328
Miscellaneous	17,100	16,176	2,448
	$ 303,100	$ 344,981	$ 306,981
	=======	=======	=======

6. Unconditional Transfers from Other Governments

	20XY Budget	20XY Actual	20XX Actual
Federal government	$	$	$
Provincial government			
Department of Transportation			
Ice Control and Snow Removal	15,635	15,700	14,000
Service Nova Scotia and Municipal Relations			
Municipal Grants Act (Equalization)	442,779	439,223	430,691
Municipal Grants Act (Emergency)			
Assessment Act, Farm Property Acreage	67,016	66,245	63,379
Assessment Act, Machinery & Equipment	-	-	-
Other	2,613	2,728	1,896
Other local governments			
	$ 528,043	$ 523,896	$ 509,966
	=======	=======	=======

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
7. Conditional Transfers from Federal and Provincial Governments or Agencies	Budget	Actual	Actual
Federal Government	$ 8,150	$ 8,397	$ 7,248
Federal Government Agency - Canada Mortgage and Housing Corporation	20,000	14,458	19,000
Provincial Government			
Protective services			
Law enforcement	150	187	146
Fire protection			
Emergency Measures Organization	250	250	250
Other protection	848	78	808
Transportation services			
Road transport	11,600	11,427	12,500
Environmental Health Services			
Sewage collection and disposal			
Garbage and refuse collection and disposal			
Public Health and Welfare Services			
Social Welfare	250,000	260,712	240,000
Homes for Special Care	350,000	341,191	190,000
Environmental Development Services			
Community development	6,480	5,638	24,751
Housing			
Recreational and Cultural Services			
Regional Library	13,200	17,379	12,863
Heritage properties	7,100	8,562	6,524
Fiscal Services - Debt Charges			
Sewers and Drains	14,000	13,992	15,214
Street paving, curbs & gutters	38,490	34,394	44,175
	=======	=======	=======
	692,118	693,810	547,231
Provincial Agencies			
Liquor commission re prisoners board	1,705	3,978	1,646
	$721,973	$720,643	$ 575,125
	=======	=======	=======

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
	Budget	Actual	Actual
8. **Conditional Transfers from other local governments**			
Other	5,300	4,005	5,247
	======	=====	=====
9. **Other Transfers, collections for other governments**			
Transfers from own valuation allowances and equity			
Valuation allowances	$ 5,200	$	$ 5,383
Surplus of prior years	125,000	125,000	380,000
Other	-	-	-
	130,200	125,000	385,383
Transfers from other funds			
Operating reserve			
Transfers from own agencies			
DEF Guest Home Corp: debt charges	20,000	20,000	
Solid Waste Authorities	18,800	18,800	
Collections for other government			
Village of HIJ rates	20,000	20,000	18,000
Other			
	$ 189,000	$ 183,800	$ 403,383
	=========	=========	=========
Total Revenue	$ 6,938,286	$ 7,137,002	$ 6,403,800
	=========	=========	=========

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

10. General government services

	20XY		20XX
	Budget	Actual	Actual
Legislative			
Mayor or Warden	$	$	$
Remuneration	3,000	3,000	3,000
Expenses	500	1,000	500
Council			
Remuneration	15,000	16,850	14,495
Expenses	5,000	5,000	5,000
Other	3,700	5,974	4,307
	27,200	31,824	27,302
General Administrative			
Administrative	283,000	283,491	279,604
Financial management	15,000	16,000	14,975
Taxation			
Administration	14,300	15,276	13,624
Tax billing	7,500	8,903	7,428
Tax rebates or cancellations			
Reduced taxes (Section 69)	13,000	14,864	12,541
Reduced taxes (section 71)	4,700	4,534	4,608
Maintenance of property acquired for taxes	26,300	27,422	25,047
Losses on sale of property acquired for taxes	9,000	10,402	8,223
Other taxation	11,000	9,738	10,844
Common services	12,300	12,153	11,652
Other	31,500	25,556	11,955
	427,600	428,339	400,501
Other general government services			
Elections, plebiscites and ratepayers meetings	1,170	904	821
Conventions and delegations	400	1,129	366
General accident and damage claims and public liability insurance	450	1,473	429
Intergovernmental relations	500	1,884	473
Grants to other organizations and individuals	1,780	1,164	1,681
Other	700	398	803
	5,000	6,952	4,573
	$ 459,800	$ 467,115	$ 432,376
	========	========	========

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

11. Protective Services

	20XY Budget	20XY Actual	20XX Actual
Police protection			
Police Commission	$ 2,200	$ 2,000	$ 1,700
Administration	40,000	53,054	34,865
Crime Investigation Prevention and Protective Services	488,210	455,144	410,303
Traffic Activities	26,400	27,194	22,491
Training	4,200	4,000	3,600
Police Stations and Buildings	43,000	40,662	42,726
Police Automotive Equipment	31,800	42,541	29,802
Detention and Custody of Prisoners	12,050	13,832	11,767
Other	4,000	4,161	4,394
	651,860	642,588	561,648
Law Enforcement			
Administration	3,000	3,642	2,691
Prosecuting attorney	2,470	2,702	2,067
Witnesses, jurors and interpreters	1,000	1,463	968
Other	1,750	2,606	828
	8,220	10,413	6,554
Fire Protection			
Administration	15,100	15,199	14,806
Fire Fighting Force	185,480	177,387	180,815
Fire Alarm Systems	18,000	12,092	-
Fire Investigations and Prevention	5,300	6,297	4,221
Water Supply and Hydrants	142,220	140,854	138,843
Training	2,000	1,800	-
Fire Stations and Buildings	38,900	42,213	29,617
Fire Fighting Equipment	20,670	19,403	21,917
Other	700	857	455
	428,370	416,102	392,274
Subtotal	1,088,450	1,069,103	960,476

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY Budget	20XY Actual	20XX Actual
11. Protective Services (Cont'd)			
Balance Forward	$1,088,450	$1,069,103	$ 960,476
Emergency Measures	550	535	500
Other			
Protective Inspection	4,650	6,209	4,928
Animal and Pest Control	4,700	5,547	4,677
Other	1,650	1,865	1,939
	11,000	13,621	11,544
	$1,100,000	$1,083,259	$ 972,520

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
	Budget	Actual	Actual
12. Transportation Services			
Common Services			
Administration	$ 17,600	$ 19,246	$ 17,427
Engineering services	141,600	137,726	151,432
Equipment (General)	48,700	69,103	38,816
Small tools and equipment	4,000	4,729	3,886
Workshops, yards and other buildings	45,600	48,813	43,062
Research, planning and design	6,000	6,497	5,943
Liability Insurance			
Other	3,000	2,218	1,039
	266,500	288,332	261,605
Road Transport			
Administration	25,680	27,619	24,841
Engineering	2,400	2,627	2,324
Roads and streets	209,395	257,476	194,347
Bridges, subways, tunnels, ferries and grade inspections	6,400	6,883	5,940
Street lighting	73,000	71,640	75,881
Traffic services	6,280	7,186	5,393
Parking	14,845	15,315	13,664
Motor vehicle inspections	3,100	3,289	2,887
Other	5,110	5,882	4,155
	346,210	397,917	329,432
Air transport			
Administration	1,000	964	842
Airports	7,940	8,374	6,842
Other	1,200	627	1,021
	10,140	9,965	8,705
Water transport			
Administration			
Docks and port facilities	2,150	2,896	2,147
Other			
	2,150	2,896	2,147
Public Transit			
Research, planning and design			
Other			
Other transportation	3,000	3,294	2,643
	$ 628,000	$ 702,404	$ 604,532
	=======	=======	=======

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
	Budget	Actual	Actual
13. Environmental Health Services			
Sewage collection and disposal			
Administration	$ 8,700	$ 14,861	$ 9,271
Sewage collection systems	80,000	87,559	79,926
Sewage lift stations	6,840	12,430	7,409
Sewage treatment and disposal	45,000	51,816	42,136
Comfort stations			
Other	6,400	7,645	6,787
	146,940	174,311	145,529
Garbage and Waste Collection and Disposal			
Administration	15,200	16,842	23,661
Garbage and waste collection	160,840	173,294	166,987
Landfills	23,500	28,604	15,643
Incinerators	10,000	11,407	8,000
Recycling	10,000	10,400	9,692
Other	1,800	1,564	2,844
	221,340	242,111	226,827
Other environmental health			
Administration	2,600	2,623	3,150
Smoke abatement			
Other air pollution	1,000	1,200	1,601
Water pollution control	3,600	3,500	8,764
Other pollution control	4,400	4,600	4,184
Noise abatement			
Other	1,600	1,800	2,890
	13,200	13,723	20,589
	$ 381,480	$ 430,145	$ 392,945
	=======	=======	=======
14. Public Health and Welfare Services			
Public health	$	$ 2,000	$ 39,871
Medical care			11,690
Hospital care	4,000	4,000	63,422
Other health			16,478
	$ 4,000	$ 6,000	$ 131,461
	=======	=======	=======

(MUNICIPAITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
	Budget	Actual	Actual
15. Environmental Development Services			
Environmental Planning and Zoning			
Planning boards	$ 11,300	$ 10,927	$ 8,417
Administration	18,200	20,317	15,867
Research and planning	14,000	13,864	5,112
Other	10,900	9,731	6,744
	54,400	54,839	36,140
Community Development			
Administration	7,500	7,896	5,462
General land assembly	4,260	4,312	3,894
Urban renewal projects	89,800	93,056	56,620
Beautification and land rehabilitation	7,840	8,341	6,371
Other	14,700	15,857	11,901
	124,100	129,462	84,248
Housing			
Administration	13,100	14,832	9,632
Operation			
Other			
	13,100	14,832	9,632
Natural Resources Development			
Agriculture	9,200	9,736	8,621
Water resources and conservation			
Other			
	9,200	9,736	8,621
Industrial Parks			
Administration			
Assistance to industrial development	41,400	47,966	37,911
Other			
	41,400	47,966	37,911
Other Environmental Development Services			
Tourism	3,550	3,621	2,386
Public receptions	2,800	2,047	3,679
Markets			
Other	450	924	347
	6,800	6,592	6,412
	$ 249,000	$ 263,427	$ 182,964
	=======	=======	=======

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

16. Recreation and Cultural Services

	20XY		20XX
	Budget	Actual	Actual
Recreation Facilities			
Administration	$72,360	$50,426	$52,847
Community centres and halls	15,645	17,236	11,853
Swimming pools, beaches, marinas	3,500	3,743	3,412
Skating rinks and arenas	7,400	6,497	5,834
Amusement parks, exhibitions and fairs	2,200	2,164	1,966
Stadiums	2,860	2,849	2,237
Parks and playgrounds	6,240	7,825	5,896
Other	1,200	1,164	932
Subtotal	111,405	91,904	84,977
Cultural Buildings and Facilities			
Administration	2,200	2,137	1,960
Historic Sites	2,000	1,846	1,641
Art galleries, museums, planetariums	3,200	3,198	3,527
Libraries	1,300	1,265	1,068
Theatre, Concert halls, auditoriums	1,600	1,572	1,139
Heritage properties	1,900	1,893	1,456
Other	1,500	847	931
	13,700	12,758	11,722
Other Recreation and Cultural Services	5,300	3,759	5,238
	$ 130,405	$ 108,421	$ 101,937
	=======	=======	=======

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

17. Fiscal Services

	20XY		20XX
	Budget	Actual	Actual
Debt Charges			
Interest on short term borrowings			
General operations Interest	$ 1,620	$ 2,119	$ 20,101
Temporary financing interest - capital projects	2,400	1,905	1,772
Interest or discount on current tax prepayments	48,900	37,222	44,424
Interest on long term debt			
Debenture interest	98,246	98,246	99,684
Term loan interest	51,599	51,599	53,277
Principal instalments or sinking fund requirements			
Debenture principal	41,223	41,223	41,617
Term loan principal	164,651	164,651	222,415
Sinking Fund Requirements			
Temporary Financing			
Principal - Capital Projects			
Other			
ie. Debenture discount			1,770
Transfers to own reserves, funds and agencies			
Valuation and allowances			
Uncollectible taxes	44,393	44,393	54,711
Other doubtful receivables	14,000	12,294	9,156
Unresolved assessment appeals		30,732	
Deficit of previous years			48,000
Other		21,000	10,000
Other funds			
Reserve Fund-Capital Reserve	15,000	15,000	15,000
Reserve Fund-Operating Reserve	10,000	10,000	5,000
Reserve Fund-Special Purpose Tax Reserve	-	100,000	-
General Capital Fund	85,263	13,348	350,947
Other			
Own Agencies			
Deficit for Water Utility			
Deficit for Electric Utility			
Deficit for Housing Corporation			
Own Agencies (Extraordinary)			
Subtotal	577,295	643,732	977,874

(MUNICIPALITY) OF ABC

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
17. Fiscal Services (Cont'd)	Budget	Actual	Actual
Balance Forward	$577,295	$643,732	$977,874
Unconditional transfers to other governments and agencies			
Other local governments	113,500	116,837	104,480
Conditional transfers to other governments and agencies			
General government services	5,420	6,284	5,890
Protective services	3,500	3,761	3,405
Correctional services	8,345	8,943	8,264
Transportation services	6,560	7,327	6,422
Environmental health services	8,400	8,864	8,384
Public Health and Welfare Services			
Deficit of Regional Housing Authority	73,174	66,603	63,500
Social Welfare	815,800	787,960	687,808
Environmental development services			
Regional Planning Commission	56,700	60,656	55,220
Regional Development Authorities	10,000	10,000	10,000
Recreation and Cultural Services			
Regional Library	57,327	60,430	44,929
Appropriation to Regional School Board	2,229,580	2,229,580	1,638,889
Fiscal Services			
Other			
Transmission of taxes collected for other governments			
Village of HIJ	20,000	20,000	18,000
	$3,169,801	$3,243,017	$2,945,257
Extraordinary & Special Items (Note 14)	Nil	38,801	Nil
Total Expenditures	6,938,286	7,130,549	6,451,800

(MUNICIPALITY) OF ABC

WATER UTILITY

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XY

	20XY		20XX
	Budget	Actual	Actual
Operating revenue			
Metered sales	$ 185,000	$ 187,621	$ 178,635
Flat rate sales	130,000	132,481	127,437
Public fire protection	162,000	162,772	154,608
Other	1,000	2,030	431
	478,000	484,094	461,111
Operating expenditure			
Source of supply	6,000	8,219	5,188
Pumping	10,000	13,415	8,433
Water treatment	40,000	27,733	44,289
Transmission and distribution	140,000	142,903	132,285
Administrative general	75,000	62,321	76,528
Depreciation	28,000	28,573	36,708
Taxes	50,000	94,022	47,561
	349,000	377,186	350,992
Operating profit	129,000	106,908	110,119
Non-operating revenue			
Interest on depreciation fund	17,000	18,938	19,223
Grants from Province of Nova Scotia	28,531	28,531	6,466
Land rights		6,374	
	45,531	53,843	35,689
Non-operating expenditure			
Debt charges			
Principal	28,590	28,590	13,377
Interest	27,868	27,868	6,451
Sinking Fund Requirement	10,000	10,000	10,000
Interest on temporary borrowings	50,000	50,130	69,703
Capital expenditure out of operations	25,000	18,432	28,463
	141,458	135,020	127,994
Excess of revenue over expenditure	$ 33,073	25,731	17,814
	======	=======	=======
Deficit, beginning of year		(25,594)	(43,408)
Surplus (deficit), end of year		$ 137	$ (25,594)
		======	======

(MUNICIPALITY) OF ABC

WATER UTILITY

OPERATING FUND BALANCE SHEET

MARCH 31, 20XY

	20XY	20XX
ASSETS		
Cash	$ 820	$ 4,175
Receivables		
Rates (less allowance for doubtful accounts $7,000; 20XX $7,000)	55,280	57,363
Province of Nova Scotia	8,246	15,594
Other	808	562
	64,344	73,519
Inventories, at cost	5,229	3,834
	$ 70,383	$ 81,528
	======	======
LIABILITIES		
Payables and accruals	$ 70,246	$107,122
EQUITY		
Surplus (deficit)	137	(25,594)
	$ 70,383	$ 81,528
	=======	=======

ON BEHALF OF THE (Municipality)

______________________________ (Mayor/Warden)

______________________________ (Clerk)

(MUNICIPALITY) OF ABC

WATER UTILITY

CAPITAL FUND BALANCE SHEET

MARCH 31, 20XY

	20XY	20XX
ASSETS		
Cash		
Depreciation (Note 1d)	$ 152,062	$ 260,961
Other	139	151
Receivable		
Province of Nova Scotia		36,103
Utility plant in service	2,058,212	2,053,266
	$2,210,413	$2,350,481
	=========	=========
LIABILITIES		
Bank loan	$	$ 536,100
Term debt (Note 13)		
Debentures issued to federal government or its agencies		
Canada Mortgage and Housing Corporation	209,020	212,854
Municipal Development Loan Board	4,773	5,688
Debentures issued to provincial government or its agencies		
Municipal Finance Corporation	376,000	
Other debentures	1,800	3,600
Long-term borrowings not secured by debentures		
Loans from reserve funds	46,930	60,640
Provincial Department of Transportation	7,298	15,630
	645,821	298,412
Accumulated allowance for depreciation (Note 15)	727,604	712,517
EQUITY		
Investment in capital assets	836,988	803,452
	$2,210,413	$2,350,481
	=========	=========

ON BEHALF OF THE (Municipality)

____________________________ (Mayor/Warden)

____________________________ (Clerk)

(MUNICIPALITY) OF ABC

WATER UTILITY

UTILITY PLANT AND EQUIPMENT

MARCH 31, 20XY

	20XY	20XX
Land and land rights		
Source of supply	$ 27,713	$ 27,713
Reservoir	756	756
Transmission	2,193	2,193
Structures and improvements		
Source of supply	43,478	43,478
Intakes	2,932	2,932
Pumping	6,878	6,878
Distribution reservoirs and standpipes	5,108	5,108
Equipment		
Pumping	54,400	53,932
Water treatment	71,748	71,748
Office furniture and equipment	513	513
Transportation	16,123	16,123
Tools and work equipment	10,076	10,076
Other	12,832	12,832
Mains		
Transmission	884,985	884,985
Distribution	470,945	467,212
Services	293,899	281,822
Meters	41,842	53,174
Hydrants	80,467	80,467
Other	31,324	31,324
	$2,058,212	$2,053,266

(MUNICIPALITY) OF ABC

WATER UTILITY

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

YEAR ENDED MARCH 31, 20XY

	20XY	20XX
Balance, beginning of year	$803,452	$761,612
Add: Term debt retired	28,590	13,377
Capital expenditure out of operations	18,432	28,463
	850,474	803,452
Less: Water treatment plant retired	13,486	
Balance, end of year	$836,988	$803,452
	=======	=======

(MUNICIPALITY) OF ABC

TRUST FUNDS BALANCE SHEET

MARCH 31, 20XY

	School Library	A.E.F. Trust
ASSETS		
Cash	$ 11,816	$ 64,881
Receivable from Regional School Board		
Investments, at cost	45,427	
	$ 57,243	$ 64,881
	=======	=======
LIABILITIES		
Payable to Regional School Board	$	$
RESERVE		
Trust Funds Reserve	57,243	64,881
	$ 57,243	$ 64,881
	=======	=======

STATEMENT OF TRUST FUNDS RESERVE

YEAR ENDED MARCH 31, 20XY

	School Library	A.E.F. Trust
Balance, beginning of year	$ 56,598	$ 56,163
Interest earned	6,774	8,718
Gain (loss) on sale of investment	(10)	
	63,362	64,881
Prizes awarded		
Commission	514	
Transfer to other funds	5,605	
	6,119	
Balance, end of year	$ 57,243	$ 64,881
	======	======

ON BEHALF OF THE (Municipality)

______________________________ (Mayor/Warden)

______________________________ (Clerk)

(MUNICIPALITY) OF ABC

TRUST FUNDS BALANCE SHEET

MARCH 31, 20XY

W.G.M. Bursary	G.S. Trust	L.F. Memorial	T.B. Fund	20XY Total	20XX Total
$	$ 1,403	$ 1,407	$ 258	$ 79,765	$ 69,828
	710			710	532
1,000	3,000		69,260	118,687	112,649
$ 1,000	$ 5,113	$ 1,407	$ 69,518	$199,162	$183,009
======	======	======	======	=======	=======
$ 52	$	$ 975	$	$ 1,027	$ 952
948	5,113	432	69,518	198,135	182,057
$ 1,000	$ 5,113	$ 1,407	$ 69,518	$199,162	$183,009
=====	=====	=====	======	=======	=======
$ 948	$ 4,747	$ 321	$ 63,280	$182,057	$168,423
45	466	186	7,338	23,527	17,756
				(10)	1,850
993	5,213	507	70,618	205,574	188,029
45	100	75		220	220
			400	914	911
			700	6,305	4,841
45	100	75	1,100	7,439	5,972
$ 948	$ 5,113	$ 432	$ 69,518	$198,135	$182,057
=====	=====	=====	======	======	=======

(MUNICIPALITY) OF ABC

CAPITAL RESERVE FUND BALANCE SHEET

MARCH 31, 20XY

	20XY	20XX
ASSETS		
Cash	$ 189,132	$ 169,016
Investments	617,320	621,515
Receivables		
Water Capital	318,554	246,808
General Capital	46,930	60,640
Other		
Total	$ 1,171,936	$1,097,979
	========	========
LIABILITIES		
Payables	$	$
Reserves	1,171,936	1,097,979
TOTAL	$ 1,171,936	$ 1,097,979
	========	=========

ON BEHALF OF THE (MUNICIPALITY)

______________________ Mayor/Warden

______________________ Clerk

(MUNICIPALITY) OF ABC

STATEMENT OF CAPITAL RESERVE FUND

YEAR ENDED MARCH 31, 20XY

	20XY	20XX
Balance, Beginning of Year	$ 1,097,979	$ 1,138,265
Additions		
Excess from Debenture Borrowing		
Excess from Sinking Fund		
Residual Capital Grant	43,725	
Sale of Assets	801	276
Fire Insurance Proceeds	620	
Interest	93,110	87,419
Transfer from other Funds	15,000	15,000
Other		
Subtotal	1,251,235	1,240,960
Deductions		
Transfer to other Funds	79,299	142,981
Other		
Balance, End of Year	$ 1,171,936 ========	$1,097,979 ========

(MUNICIPALITY) OF ABC

OPERATING RESERVE FUND BALANCE SHEET

MARCH 31, 20XY

	20XY	20XX
ASSETS		
Cash	$151,971	$ 172,019
Investments		
Receivables		
Water Capital		
General Capital		
Other		
Total	$151,971	$ 172,019
LIABILITIES		
Payables	$	$
Reserves	151,971	172,019
TOTAL	$151,971	$ 172,019

ON BEHALF OF THE (MUNICIPALITY)

_______________________ Mayor/Warden

_______________________ Clerk

(MUNICIPALITY) OF ABC

STATEMENT OF OPERATING RESERVE FUND

YEAR ENDED MARCH 31, 20XY

	20XY	20XX
Balance, Beginning of Year	$ 172,019	$ 178,330
Additions		
Excess from Debenture Borrowing		
Excess from Sinking Fund		
Residual Capital Grant		
Sale of Assets		
Fire Insurance Proceeds		
Interest	31,452	29,530
Transfer from other Funds	10,000	5,000
Other		
Subtotal	213,471	212,860
Deductions		
Transfer to other Funds	61,500	40,841
Other		
Balance, End of Year	$151,971	$ 172,019

(MUNICIPALITY) OF ABC

SPECIAL PURPOSE TAX RESERVE FUND BALANCE SHEET

MARCH 31, 20XY

	20XY	20XX
ASSETS		
Cash	$ 100,000	$ -
Investments		
Receivables		
Other		
Total	$ 100,000	-
LIABILITIES		
Payables	$	
Reserves	100,000	-
Total	$ 100,000	-

STATEMENT OF SPECIAL PURPOSE TAX RESERVE FUND

YEAR ENDED MARCH 31, 20XY

	20XY	20XX
Balance, Beginning of Year	$ -	$ -
Additions		
Special Purpose Taxes	100,000	-
Balance, end of year	$ 100,000	-

ON BEHALF OF THE (MUNICIPALITY)

______________________ Mayor/Warden

______________________ Clerk

(MUNICIPALITY) OF ABC

SINKING FUND RESERVE BALANCE SHEET

MARCH 31, 20XY

ASSETS	20XY
Cash	$10,126
	======
RESERVE	
Sinking fund reserve	$10,126
	======

STATEMENT OF SINKING FUND RESERVE

YEAR ENDED MARCH 31, 20XY

Provision from operations as per agreement with Municipal Finance Corporation	$10,000
Interest earned	126
Balance, end of year	$10,126
	=======

ON BEHALF OF THE (Municipality)

______________________________ (Mayor/Warden)

______________________________ (Clerk)

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

1. Accounting policies

These financial statements have been prepared to conform in all material respects to the accounting principles prescribed for Nova Scotia municipalities by Service Nova Scotia and Municipal Relations and for water utilities by the Utility and Review Board.

(a) Non-consolidation

As the Municipal Council has all pertinent information concerning the resources and results of operations of the various funds, boards, entities and agencies which are under their control, a Resolution of Council has been passed that consolidated financial statements are not to be prepared for the current year.

(b) Revenue and expenditure

Major revenue and expenditure items are recorded on an accrual basis. Certain sources of revenue are recorded on a cash basis. Principal and interest payments relating to long term debt are recorded as an expense when paid.

(c) Property and equipment

General and other funds

Capital assets and projects in progress are recorded at cost. Funds received through capital assistance programs, cost-sharing arrangements or loan forgiveness are treated as additions to the Investment in Capital Assets. The (Municipality) of ABC does not record depreciation on its property and equipment. The value of the (municipality's) capital assets are written to NIL at the end of their estimated useful lives as prescribed by Service Nova Scotia and Municipal Relations.

Water Capital Fund

Capital assets and projects in progress are recorded at the utility's net cost. Funds received through capital assistance programs or cost sharing arrangements are treated as a reduction in the cost of the asset required. Interest incurred during construction on significant water capital projects is capitalized. Interest is calculated at the prevailing prime rate for projects temporarily funded by general or water utility operations.
Assets which are fully depreciated are removed from the Water Utility Capital Fund.

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

1. Accounting policies (continued)

(d) Depreciation

Depreciation of fixed assets is recorded in the accounts of the Water Capital Fund on a straight line basis over their estimated useful lives as prescribed by the Utility and Review Board.

The depreciation charge in the Water Operating Fund is transferred to a special bank account in the Water Capital Fund which is used to help fund replacement of existing plant and equipment, or subject to approval by the Utility and Review Board, to repay the principal of capital debt. During the year approval was obtained from the Board to repay $123,985 of the bank loan from depreciation funds.

(e) Assistance towards the acquisition of fixed assets
Assistance received towards the acquisition of water capital assets is netted against the cost of the asset purchased.

(f) Allocation of municipal costs to water utility funds
Where identifiable, costs incurred by the (Municipality) on behalf of the water utility are charged to the utility funds. Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the water utility. Administration and general expenses incurred for the benefit of both the municipality and water utility are allocated 75 percent to general operations and 25 percent to the water utility. Interest is calculated and recorded on monthly balances due between water utility funds and other funds at the prevailing prime rate.

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

1. Accounting policies (continued)

   (g) Valuation allowances

   Uncollected taxes and rates

   The Municipality is required to provide a valuation allowance equal to the running average of the last three years outstanding receivables for taxes and rates.

   In the water utility, a valuation allowance is provided for estimated losses that will be incurred in collecting rates receivable outstanding.

   Other receivables

   The Town provides a valuation allowance for all outstanding receivables according to prescribed guidelines.

2. Contributions to Boards, Committees, Authorities and Other Entities.

   (a) Boards in which (Municipality) has 100% Interest

DEF Guest Home Corporation - 100% Interest

Under the articles of incorporation, the (Municipality) of ABC has undertaken to fund any accumulated operating deficit of the corporation if the Home is unable to have rate increases approved by the Department of Community Services which will be sufficient to cover the deficit in future years and if a formal request is made to Municipal Council. At year end, the corporation had an accumulated surplus of $44,307 (20XX - $65,865 deficit).

In 20XY, the (Municipality) of ABC advanced $485,000 to the DEF Guest Home Corporation to assist the Corporation in restructuring its debt. The loan is repayable in equal annual instalments of principal plus interest to 20XY + 20. Interest is calculated at the lower of 8% or one half the interest rate the (Municipality) receives on its bank investments.

During the year, the (Municipality) paid claims for services to the corporation in the amount of $106,582 (20XX - $94,781).

The corporation has undertaken to expand its facility by thirty-five beds. This expansion is to be financed by way of temporary borrowings in the home operating fund until completion, at which time a debenture is to be issued through the Municipal Finance Corporation.

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

2. Contributions to Boards, Committees, Authorities and Other Entities (continued)

(b) Boards In Which (Municipality) Has Less Than 100% Interest

The (Municipality) of ABC is required to finance the operations of the various Boards, Committees, Authorities and Other Entities, along with the other Municipalities in XYZ County to the extent of its participation based on assessment or population formula.
In addition to any budgeted contributions, theMunicipalities' share in the deficits or surpluses of these Boards based on their sharing percentages. A Municipalitys' share of the deficit is to be paid in the next fiscal year while a surplus is to be taken into the next year's estimates.

Regional Housing Authority - 58.6% Interest

During 20XY, the (Municipality) paid $66,603 (20XX -$63,500) to the Regional Housing Authority to fund its share of the prior year's deficit. At March 31, 20XY, the share of the 20XY deficit which must be paid by the (Municipality) of ABC in 20XZ amounts to $74,315.

District Planning Commission - 42.5% Interest

During 20XY, the (Municipality) paid $70,656 (20XX -$65,220) to the District Planning Commission to help finance its operations. At March 31, 20XY, the Commission had an operating deficit of $24,617 of which the (Municipality) must pay $10,462 in 20XZ.

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

2. Contributions to Boards, Committees, Authorities and Other Entities (continued)

Boards In Which (Municipality) Has Less Than 100% Interest

The Planning Commission presently is in the process of constructing a landfill to service the County of XYZ. The (Municipality) of ABC has guaranteed the temporary bank loan to a maximum amount of $500,000. At the completion of the project construction, it is anticipated that the Commission will issue a debenture through the Municipal Finance Corporation. The (Municipality) will share in the debt repayment based on its formula percentage in the year the debt is repaid.

Regional Library - 32.6% Interest

During 20XY, the (Municipality) paid $60,430 (20XX - $44,929) to the Regional Library. At March 31, 20XY, the Library had a deficit of $698 which will be funded by the Municipalities in 20XZ.

3. Taxes Receivable

	20XY			20XX
	Current Year	Prior Years	Total	Total
Balance, Beginning of year	$	$712,324	$ 712,324	$ 595,416
Current year's levy (Includes interest)	5,225,472	-	5,225,472	4,439,276
Collection for other governments	20,000	-	20,000	-
	$5,245,472	$712,324	$5,957,796	$5,034,692
Deduct:				
Current year's Collection	$4,565,665	$516,882	$5,082,647	$4,212,438
Discounts	56,222	-	56,222	44,424
Write-offs	-	11,912	11,912	30,357
Reduced taxes	19,398	-	19,398	17,149
Transmission to Village	20,000	-	20,000	18,000
	$4,661,285	$528,794	$5,190,079	$4,322,368
Balance, end of year	$ 584,187	$183,530	$ 767,717	$ 712,324

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

4. Due from General Capital Fund/Due to General Operating Fund

The (Municipality) is funding its share of the Middle Street Alignment and part of its civic building replacement project through the general operating fund on a temporary basis. Upon completion the capital fund is to issue a debenture through the Municipal Finance Corporation to repay the general operating fund.

5. Loan DEF Guest Home Corporation

Loan due in equal yearly instalments of $24,000 until year 20XY + 19 and $29,000 in year 20XY + 20. Interest is calculated at the lower of 8% or one half the interest rate the (Municipality) receives on its bank investments.

6. Accrued Payables

As at March 20XY the (Municipality) had an accrued liability of $30,000 respecting accumulated employee benefits which have been earned by the employees which would be paid in future periods.

7. Tax Sale Surplus

In 20XZ, the twenty year period of holding these funds in the operating fund balance sheet will expire and $5,264 in cash will be transferred to the Capital Reserve Fund.

8. Valuation allowance - uncollectible taxes	20XY	20XX
Balance, beginning of year	$ 712,324	$ 657,613
Add, Increase in the year	44,393	54,711
Balance, end of year	$ 756,717	$ 712,324

9. Valuation allowance - other doubtful receivables	20XY	20XX
Balance, beginning of year	$ 24,716	$ 16,125
Add: provision for the year	12,294	9,156
	37,010	25,281
Less uncollectible receivables written off	8,068	565
Balance, end of year	$ 28,942	$ 24,716

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

10. Valuation allowance - unresolved assessment appeals

	20XY	20XX
Balance, beginning of year	$ 15,000	$ 25,000
Add: Provision for the year	30,732	
Subtotal	45,732	25,000
Less: Assessment appeals resolved		4,617
Reduction in required provision		5,383
		10,000
Balance, end of year	$ 45,732	$ 15,000

11. Surplus

	20XY	20XX
Balance, beginning of year	$694,311	$1,122,311
Excess of revenue over expenditure	6,453	
Prior year's deficit transferred to current year	48,000	
	748,764	1,122,311
Excess of expenditure over revenue		48,000
Transfer to revenue	125,000	380,000
	125,000	428,000
Balance, end of year	$623,764	$694,311
Allocation on surplus		
Restricted		
Area Rates (Note 12)	$ (25,135)	$ 27,228
Unrestricted	648,899	667,083
	$623,764	$694,311

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

12. Area Rates	Fire Protection	Street Lighting	Water Service	Total
Balance, beginning of year	$ 27,228	$	$	$ 27,228
Rates levied for current year	78,565	59,224		137,789
	$105,793	$ 59,224		$165,017
Services provided in current year	84,565	60,646	44,941	190,152
Balance, end of year	$ 21,228	$ (1,422)	$(44,941)	$(25,135)

13. Long Term Debt

Principal repayments required during the next five years are as follows:

	General Capital	Water Capital	Total
20XY + 1	$180,170	$35,652	$215,822
20XY + 2	159,052	24,785	183,837
20XY + 3	147,947	21,762	169,709
20XY + 4	148,051	21,993	170,044
20XY + 5	114,752	21,683	136,435

The (Municipality) is also required to make a sinking fund payment to the Municipal Finance Corporation of $10,000 per year until 20XY + 5 with respect to the water debenture. At that time the (Municipality) may elect to retire all or part of the appropriate debentures. Any retirement would reduce the sinking fund requirement by 3% of the debentures issued.

All long-term debt outstanding at year-end has been properly authorized by Service Nova Scotia and Municipal Relations.

14. Extraordinary or Special Items

During the year the Department of Community Services determined that an 20XX overpayment respecting Homes for Special Care in the amount of $38,801 had been made to the (Municipality).

(MUNICIPALITY) OF ABC

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 20XY

15. Accumulated allowance for depreciation

	20XY	20XX
Balance, beginning of year	$ 712,517	$ 675,809
Add: currently year's depreciation	28,573	36,708
Less write off of fully amortized assets	<13,486>	
	$ 727,604	$ 712,517

16. School Capital Fund

On January 1, 1982, the (Municipality) of ABC joined with the other Municipalities of XYZ County to form the XYZ District School Board further combined in 1996 to form the DEF Regional School Board. Under the agreement, all school buildings on hand at December 31, 1981, will remain assets of the municipality but will be under the operational control of the Regional School Board until such time as the Board no longer requires the assets for school purposes. At that time, control will revert back to the municipality.

17. Rate of return on water utility rate base for the year ended march 31, 20XY, the Water Utility had an annualized rate of return on rate base of 8.03% (20XX - 8.21%)

18. Remuneration of elected officials and Chief Administrative Officer

NAME		Remuneration
Mayor/Warden	John Doe	$ 3,000
Deputy Mayor/Warden	Sam Ziggy	2,000
Councillor	Joe Able	2,000
-	Bob Betts	2,000
-	Clay Cutty	2,000
-	Don Charles	2,000
-	Joe Page	2,000
-	John Gage	2,000
-	Sally Slew	2,000
-	Anne Albert	2,000
Chief Administrative Officer		$ 21,000
		========
		$ 56,000
		========

(MUNICIPALITY) OF ABC

SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT

MARCH 31, 20XY

Paving	
Term loan - Province of Nova Scotia	20XY+ 7
Term loan - Province of Nova Scotia	20XY+ 4
Serial	20XY+ 1
Special funds	20XY+ 2
Special funds	20XY+ 3
Special funds	20XY+ 4
Special funds	20XY+ 4
Special funds	20XY+ 5
Special funds	20XY+ 8
Special funds	20XY
Term bank loan	20XY+ 2
Bridges and approaches	
Term loan - Province of Nova Scotia	20XY+ 1
Sewer	
Serial	20XY+ 6
Serial	20XY+ 1
MDLB	20XY+ 5
MDLB	20XY+ 5
Special funds	20XY+ 7
Special funds	20XY
Special funds	20XY
Special funds	20XY+ 2
Special funds	20XY+ 6
Pollution control	
Debentures - CMHC	20XY+ 4
Debentures - CMHC	20XY+ 4
Sidewalks	
Serial	20XY+ 6
Hospital	
Serial	20XY+ 8
Fire equipment	
Serial	20XY+ 6

(MUNICIPALITY) OF ABC

SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT

MARCH 31, 20XY

Balance Apr 1/XX	Issued	Redeemed	Balance Mar 31/XY	Interest	Interest Rate
$ 37,039		$ 3,409	$ 33,630	$ 3,241	8 3/4%
133,419		22,158	111,261	13,342	10%
36,000		18,000	18,000	1,957	7 1/4%
26,160		8,720	17,440	1,570	6%
7,200		1,800	5,400	432	6%
19,250		3,850	15,400	1,155	6%
8,009		1,602	6,407	480	6%
48,338		8,056	40,282	2,900	6%
60,838		6,760	54,078	6,084	10%
	138,434		138,434		6%
25,000		25,000		4,483	
5,763		3,196	2,567	504	8 3/4%
43,400		6,200	37,200	2,619	6 1/2%
14,400		7,200	7,200	783	7 1/4%
7,533		1,211	6,322	389	5 3/8%
3,225		519	2,706	166	5 3/8%
13,966		3,100	10,866	838	6%
10,000		10,000		300	3%
9,500		9,500		285	3%
2,400		800	1,600	144	6%
41,148		12,500	28,648	2,469	6%
800,322		29,407	770,915	64,266	7 7/8%
348,088		10,086	338,002	38,425	10 3/4%
2,100		300	1,800	127	6 1/2%
113,000		12,000	101,000	2,675	2 1/2%
3,500		500	3,000	211	6 1/2%
$1,819,598	$138,434	$205,874	$1,752,158	$149,845	

(MUNICIPALITY) OF ABC

SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT

MARCH 31, 20XY

Water	
Serial	20XY+ 1
MDLB	20XY+ 5
MDLB	20XY+ 5
Special funds	20XY+ 8
Special funds	20XY
Special funds	20XY+ 1
Special funds	20XY+ 7
Special funds	20XY+ 2
Term loan - Province of Nova Scotia	20XY+ 1
Debentures - CMHC	20XY+ 9
Sinking fund debentures - Municipal Finance Corporation	20XY+ 5
Guest Home Corporation	
Debenture - CMHC	20XY+ 46
Term Loan - (Municipality)	20XY+ 20
Term Loan - Chartered Bank	

Principal payments required during the next five years are as follows:

	General Purposes	Water Utility	Guest Home	Total
20XY+ 1	$180,170	$35,652	$28,750	$244,572
20XY+ 2	159,052	24,785	30,125	213,962
20XY+ 3	147,947	21,762	32,675	202,384
20XY+ 4	148,051	21,993	34,050	204,094
20XY+ 5	114,752	21,683	36,400	172,835

(MUNICIPALITY) OF ABC

SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT

MARCH 31, 20XY

Balance Apr 1/20XX	Issued	Redeemed	Balance Mar 31/20XY	Interest	Interest Rate
3,600		1,800	1,800	196	7 1/4%
5,044		811	4,233	260	5 3/8%
645		104	541	33	5 3/8%
32,111		3,567	28,544	3,211	10 %
2,500		2,500		75	3 %
4,893		3,000	1,893	294	6 %
11,536		1,442	10,094	1,154	10 %
9,600		3,200	6,400	576	6 %
15,630		8,332	7,298	1,368	8 3/4%
212,854		3,834	209,020	20,701	9 1/2%
	376,000		376,000		15 %
298,413	376,000	28,590	645,823	27,868	
1,417,386		3,855	1,413,531	113,391	8 %
	485,000		485,000		8 %
499,194		499,194		94,791	
1,916,580	485,000	503,049	1,898,531	208,182	
$4,034,591	$ 999,434	$737,513	$4,296,512	$ 385,895	
========	=======	=======	========	=======	

The (Municipality) is also required to make a sinking fund payment to the Municipal Finance Corporation of $10,000 per year until 20XY + 5 with respect to the water debenture. At that time the (Municipality) may elect to retire all or part of the appropriate debentures. Any retirement would reduce the sinking fund requirement by 3% of the debentures issued.

(MUNICIPALITY) OF ABC

STATEMENT OF CAPITAL FINANCING

YEAR ENDED MARCH 31, 20XY

SOURCE

		20XY	20XY
Funds available from prior year			
Cash	$305,602		
Receivable from Province of Nova Scotia	48,449	$ 354,051	$ 157,904
Proceeds from debentures		376,000	3,250,000
Depreciation funds		28,573	26,958
Interest income		10,530	7,011
Capital funding revenue (A-49, A-50)			
- Provincial grants	424,804		
- Reserve fund withdrawals	140,799		
- Reserve fund borrowings	138,434		
- Capital expenditures out of revenue	33,027	737,064	546,556
		1,506,218	3,988,429
Balance temporarily financed at end of period			
- Trade payables		41,365	
- Payable to revenue funds		485,101	235,822
- Bank loans			536,100
		526,466	771,922
		$2,032,684	$4,760,351
		=== =====	==== ====

APPLICATION

		20XY	20XY
Balance temporarily financed at end of previous period			
- Payable to revenue funds	$235,822		
- Bank loans	536,100	$ 771,922	$ 486,517
Capital asset acquisition (A-49, A-50)		1,027,709	3,919,783
		1,799,631	4,406,300
Funds available for application			
- Cash		233,053	305,602
- Receivable from Province of Nova Scotia			48,449
		233,053	354,051
		$2,032,684	$4,760,351
		========	========

(MUNICIPALITY) OF ABC

CAPITAL PROJECTS FUNDING

20XY

	Total Capital Cost	Capital Grant	Dept. of Transpor-tation	Community Services	Special Program
GENERAL CAPITAL					
	$	$	$	$	$
Streets and Sidewalks					
- River Road paving	4,672		2,143	2,529	
- River Road sidewalk	13,080			13,080	
- High Street paving	12,169				
- Low Road paving	171,923	10,381	81,328		
- Low Road sidewalk	17,345	17,345			
- Centre Street paving	23,040				
- Middle Street alignment	446,321				115,972
Civic building/Fire Hall	71,732	28,165			
Traffic lights					
- River Road	39,499		17,599	21,900	
Police equipment	8,995	8,995			
Town Hall roof	17,004	17,004			
Landfill site capital	56,402	56,402			
Public works equipment	70,255	8,755			
Police Building	2,904	2,904			
Office equipment	12,920				
High school field	21,650	5,302			
Property acquired at Tax Sale	12,000				
	1,001,911	155,253	101,070	37,509	115,972
WATER CAPITAL					
Equipment	468				
Distribution	3,733				
Services	12,077				
Metres	2,154				
	18,432				
GUEST HOME CAPITAL					
Equipment & building	7,366				
	1,027,709	155,253	101,070	37,509	115,972

(MUNICIPALITY) OF ABC

CAPITAL PROJECTS FUNDING

20XY

Dept. of Recreation	Reserves	Borrowing from Reserve	General Operations	Capital Fund Cash	Due To General Operating	Accounts Payable
$	$	$	$		$	$
		12,169				
	66,379	13,835				
		23,040				
		89,390		178	240,781	
					2,201	41,366
	61,500					
	12,920					
15,000			1,348			
			12,000			
15,000	140,799	138,434	13,348	178	242,982	41,366
			468			
			3,733			
			12,077			
			2,154			
			18,432			
			1,247		6,119	
$ 15,000	$ 140,799	$ 138,434	$ 33,027	$ 178	$ 249,101	$ 41,366
======	======	======	======	======	======	======

DEF GUEST HOME CORPORATION

FINANCIAL STATEMENTS

MARCH 31, 20XY

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AUDITOR'S REPORT

To the Chairman and Members of the Board of
DEF Guest Home Corporation

We have examined the Operating Fund and Capital Fund and Trust Fund Balance Sheets of the DEF Guest Home Corporation as at March 31, 20XY, and the statements of operations for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards adopted for Nova Scotia Municipalities. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 20XY and the results of its operation for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia Municipalities.

Place, Nova Scotia
Date, 20XY

Registered Municipal Auditor

DEF GUEST HOME CORPORATION

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 20XX

	20XY	20XX
Revenue	$1,886,082	$1,661,380
Expenditure		
Board fees and expenses	8,200	5,062
Capital debt charges		
Principal	18,049	32,908
Interest	208,182	216,377
Capital expenditure out of operations	1,247	13,748
Car allowance	3,840	3,842
Doubtful accounts	1,727	
Drugs, medical and surgical supplies	20,103	13,091
Education	1,404	624
Employee benefits	51,670	42,441
Food and provisions	130,275	110,085
Housekeeping and laundry	23,773	17,274
Insurance	2,624	2,772
Interest and bank charges	26,788	41,596
Light, heat and water	84,105	65,988
Office supplies and expense	5,745	3,304
Professional fees	3,500	3,100
Repairs and maintenance	23,994	15,248
Sewage and disposal	1,812	1,631
Sundry	805	2,148
Telephone	3,143	2,766
Vehicle expense	1,222	
Wages	1,144,645	1,067,869
Workers' compensation	9,056	5,968
	1,775,909	1,667,842
Excess of revenue over expenditure	$ 110,173	$ (6,462)

DEF GUEST HOME CORPORATION

OPERATING FUND BALANCE SHEET

MARCH 31, 20XY

ASSETS

	20XY	20XX
Cash	$	$ 200
Receivables		
Guests	68,407	57,612
Other municipalities	35,295	142,986
Due from Guest Home capital fund	6,119	
Inventories of supplies, at cost	38,137	29,591
	$147,958	$230,389
	=======	=======

LIABILITIES

Bank indebtedness (note 2)	$ 19,241	$257,196
Payables and accruals	84,410	39,058
	103,651	296,254

EQUITY

Surplus (deficit)	44,307	(65,865)
	$147,958	$230,389
	=======	=======

STATEMENT OF OPERATING FUND SURPLUS

YEAR ENDED MARCH 31, 20XY

Deficit, beginning of year	$ (65,865)	$ (59,403)
Excess of revenue over expenditures	110,173	(6,462)
Surplus (deficit), end of year	$ 44,308	$ (65,865)
	======	=======

ON BEHALF OF THE COMMISSION

____________________ Director

____________________ Director

DEF GUEST HOME CORPORATION

CAPITAL FUND BALANCE SHEET

MARCH 31, 20XY

ASSETS

	20XY	20XX
Land, building and equipment		
Land	$ 1	$ 1
Building	2,097,323	2,096,625
Equipment	153,487	152,938
Construction in progress (Note 2)	6,119	
	$2,256,930	$2,249,564
	========	========

LIABILITIES

	20XY	20XX
Dues to Guest Home revenue fund	$ 6,119	$
Long term debt (Note 3)		
Canada Mortgage and Housing Corporation 8% mortgage payable in annual instalments of $114,490 to September 1, 199X + 46. The mortgage is secured by the property	1,413,531	1,417,386
Chartered Bank		499,194
(Municipality) of ABC Loan payable in equal annual instalments of principal plus interest to 199X + 20. Interest is calculated at the lower of 8% or one half the interest rate the (Municipality) receives on its bank investments.	485,000	
	1,898,531	1,916,580

EQUITY

	20XY	20XX
Investment in capital assets	352,280	332,984
	$2,256,930	$2,249,564
	=========	=========

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

YEAR ENDED MARCH 31, 20XY

	20XY	20XX
Balance, beginning of year	$332,984	$286,328
Capital debt retired	18,049	32,908
Capital expenditure from operations	1,247	13,748
Balance, end of year	$352,280	$332,984
	=======	=======

ON BEHALF OF THE COMMISSION

__________________ Chairman

__________________ Commissioner

DEF GUEST HOME CORPORATION

SENIOR CITIZENS TRUST FUNDS BALANCE SHEET

MARCH 31, 20XY

ASSETS

	20XY	20XX
Cash	$39,372	$31,649
	======	======

RESERVES

Balance, end of year	$39,372	$31,649
	======	======

STATEMENT OF TRUST FUND RESERVES

YEAR ENDED MARCH 31, 20XY

Balance, beginning of year	$31,649	$34,011
Interest earned on trust accounts	4,896	4,427
Deposits in trust	6,150	1,984
	$42,695	$40,422
Trust payments	3,323	8,773
Balance, end of year	$39,372	$31,649
	======	======

ON BEHALF OF THE COMMISSION

____________________ Director

____________________ Director

DEF GUEST HOME CORPORATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 199X

1. Accounting policies

These financial statements have been prepared to conform in all material respects to the accounting principles prescribed for Nova Scotia municipalities by Service Nova Scotia and Municipal Relations.

a) Revenue and expenditure

Major revenue and expenditure items are recorded on an accrual basis. Principal and interest payments relating to long term debt are recorded as an expense when paid.

b) Property and equipment

Capital assets are recorded at cost. Funds received through capital assistance programs are recorded as additions to the Investment in Capital Assets. The Corporation does not record depreciation on its property and equipment.

2. Construction in progress

The corporation has undertaken to expand its facility by thirty-five beds. This expansion is to be financed by way of temporary borrowings in the operating fund until completion, at which time a debenture is to be issued through the Municipal Finance Corporation.

3. Long term debt

Principal repayments required over the next five years are as follows:

20XY + 1	$28,750
20XY + 2	30,125
20XY + 3	32,675
20XY + 4	34,050
20XY + 5	36,400

4. Commitment

Under the articles of incorporation the (Municipality) of ABC has undertaken to fund any accumulated operating deficit of the DEF Guest Home Corporation if the home is unable to have rate increases approved by the Department of Community Services which will be sufficient to cover the deficit in future years and if a formal request is made to municipal council.

CHART OF ACCOUNTS

FOR

NOVA SCOTIA MUNICIPALITIES

CHART OF ACCOUNTS

EXPLANATORY NOTES

The chart of accounts was developed in conformity with the federal publication, "A Financial Information System for Municipalities". This federal publication was produced through a series of meetings of representatives from Statistics Canada and from the Departments of Municipal Affairs of all provincial governments in Canada.

The chart of accounts, as set out on the following pages, is the minimum required for accounting and reporting by all municipalities in Nova Scotia. In many cases it will not provide the detail required for internal purposes, especially in the larger municipalities. In such cases, reference should be made to the federal publication, "A Financial Information System for Municipalities" which explains the framework of the classification system in detail as well as how to expand the system to obtain progressively finer levels of detail.

The following sections, which have been extracted from the federal publication, briefly describe the overall framework of the classification system and the coding system. Included in these extracts you will note references to the object classification system which at this time is not mandatory for accounting and reporting in Nova Scotia.

The Classification Systems described in this volume have been designed to present the financial transactions of Canadian municipal governments in forms which meet internal and external requirements for financial information.

These requirements are described in some detail in Volume 1 which also delineates the concepts on which the Classification Systems are based. To recapitulate, the Classification Systems identify:

1) the types of revenue raised by, or transferred to, a municipal government;

2) the expenditures made by the government on services provided and on economic objects;

3) the kinds of assets, liabilities, and equity possessed by the government.

The Classification Systems in this volume are designed primarily for use by municipalities. However, since the sum of all services provided by municipalities encompasses almost all the responsibilities assigned to all other local governments, with one major exception - Education - the Classification Systems, or, more precisely, their relevant parts, can be used by most local governments except school authorities.

As is implied in the preceding paragraph, each municipality or other local government, in adopting the Classification Systems, will select only those parts of the systems which apply to its particular operations. Within each of the systems it will select the level of classification which is appropriate to identify the detailed information it requires for its own purposes or which is required of it by external authorities. Similarly, where fund accounting is used, only those classifications pertinent to the transactions of an individual fund will be employed for that fund.

In some cases, e.g. large municipalities, the detail provided by the Classification Systems may be inadequate for internal purposes. Further levels of progressively finer detail to meet these special situations can be constructed, provided that the basic principle of the construction of the systems is retained (see Volume 1, Paragraph 244), that is, that each subordinate level consists of groups of classifications with each group providing finer detail for individual classifications at the next highest level.

THE FRAMEWORK OF THE SYSTEMS

This volume describes five systems for classifying the financial transactions of a municipal government and an auxiliary system for automatically relating expenditures on own-account construction, maintenance and repair to the particular fixed assets involved. Together these five systems provide the following picture, in financial terms, of the activities of a municipal government.

REVENUE
raised from own source or transfers from outside sources, used to discharge the FUNCTIONS of the government through the OBJECTS on which expenditures are made, which continuing process is supported by, and reflected in changes in, the ASSETS, which the government owns, against which must be set its LIABILITIES or debt, with the net of these two being the EQUITY.

In finer detail the picture is as follows:

REVENUE

a) From own sources:
- Taxes
- Grants in lieu of taxes
- Services provided to other governments
- Sales of services
- other revenue from own sources

b) From other sources:
- Unconditional transfers from other governments
- Conditional transfers from federal, provincial, or territorial governments or agencies
- Conditional transfers from other local governments

c) Related transactions:
- Other transfers, collections for other governments

FUNCTIONS OF EXPENDITURES

a) The main functions:
- Protective services
- Transportation services
- Environmental health services
- Public health and welfare services
- Environmental development services
- Recreation and cultural services
- Other services

b) The support functions:
- General government services
- Fiscal services

OBJECTS OF EXPENDITURE

a) Purchases of services and goods:
  - Personnel
  - General services
  - Government services for resale or general supply
  - Government services for own account
  - Goods
  - Fixed assets

b) Transfers:
  - Transfer payments
  - Financial charges

c) Residual
  - Other transactions

ASSETS

- Cash
- Receivables
- Investments
- Loans and advances
- Tangible assets
- Debt charges receivable
- Other assets
- Deficits

LIABILITIES

- Short-term borrowings
- Payables
- Long-term debt
- Other liabilities
- Asset valuation allowances

EQUITY

- Reserves
- Equity in fixed assets
- Surplus and other equity

CODING

The Revenue, Asset, and Liability and Equity Classification Systems employ a five position coding group and the Expenditure Classification System one of eleven positions. In each of these groups the first position is used for system identification only; i.e. all revenue classifications are identified by a 1, expenditures by a 2, assets by a 3, and liabilities and equity by a **4**. In addition, the expenditures group is made up of three parts:

Positions:
2 - 5 cover the Functional Classification System
6 - 9 cover the Object Classification System
10 - 11 cover the Own Account Construction System

CODING (Continued)

In effect, therefore, each system uses a four position group except the Own Account Construction System.

In the code assigned to each classification, each subordinate level or position is separated from its immediate superior by a period. In addition, each position is usually assigned a single digit code. Further, the digit 0 (zero) is used as a "filler" and has no significance for identification. Thus, the code 2.1.2.2.2. is made up as follows:

2.0.0.0.0.	Nature of transaction
	expenditure
2.1.0.0.0.	Function
	General government services
2.1.2.0.0.	Program
	General administrative
2.1.2.2.0.	Sub-program
	Financial management
2.1.2.2.2.	Activity
	Accounting

The period used to separate each level of identification in a particular code block indicates that, while each position is normally represented by a single code digit, provision should be made, in ADP systems, to accommodate more than one digit at each position. At present two-digit positions are used only in those sections of the Object Classification System which relate to Goods and Fixed Assets. In these cases, the classifications and codes are adopted from the DBS Standard Commodity Classification System and the system employed in classifying private and public investment respectively. However, there are a number of other cases, particularly in classifications involving inter-governmental transactions, where more than nine categories may be involved at one level and a two-digit code may be necessary. Further, the development of the system in the future may require two-digit capacity at a number of positions.

In some sub-systems subordinate codes are used to indicate relationships. This is best exemplified in the Revenue Classification System where revenue resulting from the provision of bulk services to other local governments is identified at the second level (third position) by the government served and at the third and fourth levels (fourth and fifth positions) by the type of service (function or functional program) provided, e.g.

Code 1.3.2.4.3. would denote the following:

1.	Revenue
3.	Sales of services to other governments
2.	Municipality of "C" (where this municipality is identified by Code 2)
4.	Environmental Health Services (function - see p.26)
3.	Garbage and waste collection and disposal (functional program-see p.26)

Translating the above, the code denotes revenue received from another government - in this case, the Municipality of "C" - for providing garbage and waste collection and disposal for that municipality. (Note that the identifying digit denoting expenditures (2) is dropped from the full code for the functional program, i.e. 2.4.3.0.0., are the last two digits (0.0) denoting sub-program and activity.)

In the chart of accounts, the account titles and codes have been listed on the left hand side of the page and, where necessary for clarification, notes have been inserted opposite the relevant account titles on the right hand side of the page.

GENERAL OPERATING FUND

SUMMARY OF ACCOUNT CLASSIFICATIONS

REVENUE

11000	Taxes
12000	Grants in lieu of taxes
13000	Services provided to other governments
14000	Sales of services
15000	Other revenue from own sources
16000	Unconditional transfers from other governments
17000	Conditional transfers from federal or provincial governments or agencies
18000	Conditional transfers from other local governments
19000	Other transfers, collections for other governments

EXPENDITURES

21000	General government services
22000	Protective services
23000	Transportation services
24000	Environmental health services
25000	Public health and welfare services
26000	Environmental development services
27000	Recreation and cultural services
28000	Fiscal services
29000	Extraordinary and special items
49000	Surplus (deficit)

GENERAL OPERATING FUND

SUMMARY OF ACCOUNT CLASSIFICATIONS

ASSETS

31000	Cash on hand and on deposit
32000	Receivables
33000	Investments
34000	Loans and advances
35000	Tangible assets
37000	Other assets

LIABILITIES

41000	Short term borrowing
42000	Payables
44000	Other liabilities
45000	Asset valuation allowances
49000	Surplus (deficit)

CAPITAL FUND

SUMMARY OF ACCOUNT CLASSIFICATIONS

ASSETS

31000	Cash on hand and on deposit
32000	Receivables
33000	Investments
34000	Loans and advances
35000	Tangible assets
36000	Debt charges recoverable
37000	Other assets
39000	Deferred recoveries

LIABILITIES

41000	Short term borrowings
42000	Payables
43000	Long term debt
44000	Other liabilities
49000	Equity in fixed assets

11000 TAXES

ACCOUNT	NOTE
11100 ASSESSABLE PROPERTY	
11110 Residential	Provincial grants in lieu of taxes are not to be included (see #12310)
11120 Commercial	
11121 Commercial Property	
11122 Based on Special Tax Agreements or Legislation	
11150 Resource	
11151 Taxable Assessments	
11152 Recreational Property Tax	
11153 Forest Property Tax (less than 50,000 acres)	
11154 Forest Property Tax (50,000 acres or more)	
11180 Area Rates	
11182 Protective Services	Includes area fire rates
11183 Transportation Services	Includes area street lighting and sidewalk rates
11184 Environmental Health Services	Includes area garbage rates
11186 Environmental Development	
11187 Recreation, Cultural Services	Includes area recreation rates
11189 Other	
11200 SPECIAL ASSESSMENTS	
11210 Frontage Rates	
11213 Transportation Services	Includes frontage rates for paving and sidewalks
11214 Environmental Health Services	Includes frontage rates for sewer
11290 Other	
11291 Environmental Health Services	Includes flat charges, lot levies and user fees for garbage and sewer, water
11292 Transportation Services	Includes infrastructure charges
11400 BUSINESS PROPERTY	
11410 Business Occupancy	
11420 Based on Revenue (M.T.& T.)	
11430 Power Corporation	
11431 Power Corporation (HST Rebate)	
11900 OTHER TAXES	
11910 Deed Transfer Tax	
11920 Change of Use Tax	Includes taxes charged on farmlands, forest and recreational property
11990 Other (Specify)	

12000 GRANTS IN LIEU OF TAXES

ACCOUNT		NOTE
12100	FEDERAL GOVERNMENT	
12200	FEDERAL GOVERNMENT AGENCIES	
12220	Canadian Broadcasting Corporation	
12240	Canadian National Railway	
12260	Cape Breton Development	
12270	National Harbours Board	
12280	Canada Post	
12290	Atomic Energy of Canada Limited	
12300	PROVINCIAL GOVERNMENT	
12310	Provincial Property and Property of Supported Institutions	A grant in lieu is paid on provincial real property at the applicable residential non-residential or resource property tax rate except for educational and health care facilities. A grant in lieu of taxes at 40% of the applicable rate is paid on the residential facilities of post-secondary institutions.
12320	Crown Timber Lands	A grant in lieu is paid at 40¢ per acre.
12330	Fire Protection	A grant in lieu is paid on all provincial buildings exempted from full taxation.
12400	PROVINCIAL GOVERNMENT AGENCIES	
12420	Liquor Commission	
12440	Sydney Steel Corporation	
12450	Business Development Corporation	
12490	Other	

13000 SERVICES PROVIDED TO OTHER GOVERNMENTS

ACCOUNT		NOTE
13100	FEDERAL GOVERNMENT	
13110	General Government Services	
13120	Protective Services	
13130	Transportation Services	
13140	Environmental Health Services	
13150	Public Health and Welfare Services	
13160	Environmental Development Services	
13170	Recreation and Cultural Services	
13180	Fiscal Services	
13190	Other Services	
13200	PROVINCIAL GOVERNMENT	
13210	General Government Services	
13220	Protective Services	
13230	Transportation Services	
13240	Environmental Health Services	
13250	Public Health	
13260	Environmental Development Services	
13270	Recreation and Cultural Services	
13280	Fiscal Services	
13290	Other Services	
13300	OTHER LOCAL GOVERNMENT	
13310	General Government Services	
13320	Protective Services	
13330	Transportation Services	
13340	Environmental Health Services	
13350	Public Health	
13360	Environmental Development Services	
13370	Recreation and Cultural Services	
13380	Fiscal Services	
13390	Other Services	

14000 SALES OF SERVICES

Most municipalities recoup all, or part, of the cost of certain services through charges based on the amount of such service supplied to individuals. Such services are supplied in easily measurable amounts, e.g. water; or are discrete and capable of being costed on an individual basis, e.g. snowplowing. Fees charged for certain purposes, e.g. search fees, are also considered to be sales of services except where the fee confers certain privileges on the payer when it (the fee) is classified as a license or permit (see below). The individual purchasing the service includes not only the residents of the municipality but also any other person, corporation or government purchasing the service for its own use or consumption and not on behalf of others whom the purchaser would otherwise supply from its own resources.

	ACCOUNT	NOTE
14100	General Government Services	
14200	Protective Services	
14300	Transportation Services	
14400	Environmental Health Services	
14500	Public Health and Welfare Services	
14600	Environmental Development Services	
14700	Recreation and Cultural Services	
14900	Other Services	

15000 OTHER REVENUE FROM OWN SOURCES

ACCOUNT	NOTE
15100 LICENSES AND PERMITS	Includes general licenses, professional licenses, business licenses, amusement licenses and permits, taxi licenses, delivery vehicle licenses, animal licences, building permits and other licenses and permits.
15200 FINES	Includes court fees and costs, forfeited bail, fees from impounded animals as well as fines on overdue library books.
15300 RENTALS	Includes income earned on general rentals, engineering structures, buildings, machinery and equipment and land lease.
15400 CONCESSIONS AND FRANCHISES	Concessions and franchises are particular privileges or rights granted in respect of municipal functions, activities or responsibilities. Concessions are not easily distinguished from franchises. The latter usually relate to services of a general and a more or less essential nature, while the former pertain generally to service conveniences in respect of which the public has free or at least alternative choices. For classification purposes no distinction need be made. A fairly common feature of franchise agreements especially, is the provision for payments over and above the agreed upon franchise fee. Any such payment which is clearly not a business tax or license fee should be recorded here.
15500 RETURN ON INVESTMENTS	Includes interest earned on short term deposits and other investments which the operating fund may utilize. Interest on special funds is to be recorded in the special fund it belongs to rather than here.
15600 PENALTIES AND INTEREST ON TAXES	
15900 MISCELLANEOUS	Includes commissions earned, gifts and sundry income which cannot be under any other caption.

16000 UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS

Unconditional transfers cover only those intergovernmental transactions in which the transferor does not specify any particular use to which the monies are to be put, in which the monies so transferred form part of the general revenue of the transferor and in which the transferee has discretion over the use of the monies.

	ACCOUNT	NOTE
16100	FEDERAL GOVERNMENT	
161__	(Specify)	
16200	PROVINCIAL GOVERNMENT	
16260	Department of Transportation	
16261	Ice Control and Snow Removal	
16280	Service Nova Scotia and Municipal Relations	
16281	Municipal Grants Act (Equalization)	
16282	Municipal Grants Act, (Emergency)	
16286	Assessment Act, Farm Property Acreage	
16287	Assessment Act, Machinery and Equipment	
16289	Other (Specify)	
16300	OTHER LOCAL GOVERNMENTS (Specify)	

17000 CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVERNMENTS OR AGENCIES

A transfer to be used for a specific purpose or purposes is a conditional transfer.

ACCOUNT

17000 FEDERAL GOVERNMENT
  171__ (Specify functional program)
  171__ (Specify functional program)

17200 FEDERAL AGENCY - CANADA MORTGAGE AND HOUSING CORPORATION
  171__ (Specify functional program)

17500 PROVINCIAL GOVERNMENT
  17520 Protective Services
    17523 Law Enforcement
    17524 Fire Protection
    17525 Emergency Measures Organization
    17529 Other Protection
      (i.e. Dutch Elm Disease)

NOTE

Multi-function grants

Multi-function grants should be recorded to identify the amounts relative to each functional program of expenditure on which the funds have been or will be expended.

For example, a grant from the Federal Government under the Local Initiatives program spent on road transport and recreation facilities would be recorded as follows:
17132 L.I.P. - Road Transport xxx
17171 L.I.P. - Recreation Facilities xxx

Thirty-two (32) relates to the expenditure coding for road transport and seventy-one (71) relates to recreation facilities.

Other grants which may be multi-functional are: Canada Works and Young Canada Works from the Federal Government, Municipal Employment Program grants from the Provincial Government, Neighbourhood Improvement Program grants from Canada Mortgage and Housing, Corporation or Nova Scotia Housing Corporation and Residential Rehabilitation grants from Canada Mortgage and Housing Corporation.

17000 CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVERNMENTS OR AGENCIES

(continued)

	ACCOUNT	NOTE
17530	Transportation services	
17532	Road Transport	
17540	Environmental Health Services	
17542	Sewage Collection and Disposal	
17543	Garbage and Refuse Collection and Disposal	
17560	Environmental Development Services	
17562	Community Development	
17563	Housing	
17570	Recreational and Cultural Services	
17572	Regional Library	
17573	Heritage Properties	
17580	Fiscal Services - Debt Charges	
17581	Sewers and Drains	
17582	Street Paving, Curbs and Gutters	
17600	PROVINCIAL AGENCY - LIQUOR COMMISSION	
17623	re Prisoners Board	

18000 CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS

ACCOUNT	NOTE
18990 Other	

19000 OTHER TRANSFERS, COLLECTIONS FOR OTHER GOVERNMENTS

ACCOUNT	NOTE
19100 TRANSFERS FROM OWN VALUATION ALLOWANCES AND EQUITY	
19110 Valuation Allowances	
19120 Surplus of prior year	
19190 Other	
19200 TRANSFERS FROM OTHER FUNDS	
19330 TRANSFERS FROM OWN AGENCIES	Includes solid waste authorities
19800 COLLECTIONS FOR OTHER GOVERNMENTS	Includes collection of village and special commission rates
19900 OTHER	

EXPENDITURES

PRINCIPLES OF EXPENDITURE ALLOCATION

All expenditures made to provide the services described by a particular function should be allocated to that function. These will normally include such expenditures as salaries, wages, fees, honorariums, allowances, gratuities, employer's contribution to employee pension funds, employer contributions in respect of employee medical and hospital insurance, meals and clothing supplied to employees, general office expenditures, rents, utility services and all incidental expenditures as applicable. All expenditures should be shown in gross amounts. Except for debt charges paid on behalf of another municipality for which reimbursement has been made and capitalized engineering costs.

THE BASIC FUNCTIONS

Six basic functions are specifically identified:

Protective services
Transportation services
Environmental health services
Public health and welfare services
Environmental development services
Recreation and cultural services;

PROBLEMS OF EXPENDITURE ALLOCATION

Three main problems arise in seeking to allocate expenditures to the basic functions, or to their sub-classifications, in accordance with the principles enunciated above:

(1) the treatment to be accorded where allocation is impractical or impossible;
(2) the treatment to be accorded to expenditures made to acquire services from other governments in lieu of their provision by a government from its own resources, and to other intergovernmental financial transactions;
(3) the treatment to be accorded to debt transactions.

"UNALLOCABLE" EXPENDITURES

Three different categories of expenditures, which cannot be allocated to the basic functions and their sub-classifications, can be recognized.

(a) Common services - certain expenditures are made primarily to operate the government rather than to provide services - i.e. the operation of the governing body, the handling of finance and similar items which are common to or affect all the services provided. Since allocation of such expenditures to the basic functions is both impractical and undesirable, a separate function - General Government Services - has been established for them.

(b) New programs - because municipal government is never static but is continually acquiring new responsibilities, it is to be expected that services are now being provided, or will be in the future, which are not identified within the existing functional classification system. In addition, there will be changes in the relative importance of different services already described in the classification system. When a municipal government considers that a new service requires identification in the classification system or that the relative importance of an existing service, as reflected by its present level of identification, has changed, it should so advise Service Nova Scotia and Municipal Relations. SNSMR will then publish an amendment incorporating the changes in the system.

EXPENDITURES (CONTINUED)

(c) Other services - certain municipalities provide services which are not normally under the jurisdiction of their particular class of local government. To accommodate such services, an additional function entitled "Other services" has been established.

INTERGOVERNMENTAL EXPENDITURES

(a) Purchases of goods and services - Intergovernmental expenditures are made by a government either to acquire goods and services from another government or to transfer monies to that government. All payments made for goods or services consumed by the purchasing government in discharging a particular function will be classified as expenditures for that function. In addition, all payments made to acquire goods or services for distribution or resale to the citizens or territory of the purchasing government will be classified by the relative functions, providing that the discharge of those particular functions is within the responsibility of the purchasing government.

(b) Transfers - Monies transferred by one government to another for which there is no direct quid pro quo fall into two categories - taxes collected for the receiving government by the paying government, and monies to be used by the receiving government for general or specified purposes. Taxes transmitted by the collecting government to the government for whom they were collected are not considered to be expenditures of the former but are included in the function "Fiscal services" as a matter of convenience. Monies transferred for general purposes, i.e. with no conditions attached to their use by the recipient, are also included in "Fiscal services" as "Unconditional transfers". Finally, monies transferred for specific purposes are included in the same function as "Conditional transfers".

DEBT AND RELATED EXPENDITURES

The treatment in the Functional Classification System of expenditures relating to the debts of municipal governments presents a special problem. Most governments at all three levels take the view that their operations can be financed in a number of ways - by taxes or other imposts, by sales of services, by transfers from other governments, by returns on investment, and by borrowing. Thus the costs of borrowing form part of the costs of operating and expenditures related to debt are included in the function "Fiscal services".

21000 GENERAL GOVERNMENT SERVICES

ACCOUNT	NOTE
21000 LEGISLATIVE	
21110 Mayor or Warden	
21111 Remuneration	Include Committee Pay
21112 Expenses	Include kilometrage payments and out-of-town travel expenses
21130 Council	
21131 Remuneration	Include Committee Pay
21132 Expenses	Include kilometrage payments and out-of-town travel expenses
21190 Other Legislative Services	
21200 GENERAL ADMINISTRATIVE	Chief Administrator (Commissioner, Manager, Comptroller)
21210 Administrative	Municipal Clerk Personnel Office buildings Legal services Offices expenses Other administrative services
21220 Financial Management	Administration Accounting Internal audit Budget Control External audit Purchasing Debt and Sinking fund administration Pension fund administration Other financial management
21240 Taxation	
21241 Administration	
21242 Tax billing	
21243 Tax Rebates or Cancellations	
Reduced Taxes (Section 69)	
Reduced Taxes (Section 71)	
21244 Maintenance of Property Acquired for Taxes	
21245 Losses on Sale of Property Acquired for Taxes	
21249 Other Taxation	
21250 Common Services	Multi-purpose building Other common services
21290 Other General Administrative Services	

21000 GENERAL GOVERNMENT SERVICES

ACCOUNT		NOTE
21900	OTHER GENERAL GOVERNMENT SERVICES	
21910	Elections, Plebiscites and Ratepayers' Meetings	
21920	Conventions and Delegations	
21930	General Accident and Damage Claims and Public Liability Insurance	
21940	Intergovernmental Relations	Union of N.S. Municipalities dues
21950	Grants to Organizations & Individuals	
21990	Other General Services	

22000 PROTECTIVE SERVICES

ACCOUNT		NOTE
22100	POLICE PROTECTION	
22110	Police Commission	
22120	Administration	Police Chief Employer's liability insurance
22130	Crime Investigation Prevention and Protective Services	
22140	Traffic Activities	
22150	Training	
22160	Police Stations and Buildings	(maintenance and operations, not capital) expenditures
22170	Police Automotive Equipment	
22180	Detention and Custody of Prisoners	Lock up facilities
22190	Other	
22200	LAW ENFORCEMENT	
22210	Administration	
22260	Prosecuting Attorney	
22280	Witnesses, Jurors and Interpreters	
22290	Other	By-law enforcement
22400	FIRE PROTECTION	
22410	Administration	Fire Chief Employer's liability insurance Workmen's compensation and sickness insurance
22420	Fire Fighting Force	Permanent Force Volunteer Force Grants to Rural Units Area Rate Levy in Rural Municipality
22430	Fire Alarm Systems	
22440	Fire Investigations and Prevention	
22450	Water Supply and Hydrants	
22460	Training	
22470	Fire Stations and Buildings	(maintenance and operation - not capital) expenditures
22480	Fire Fighting Equipment	
22490	Other	

22000 PROTECTIVE SERVICES

ACCOUNT	NOTE
22500 EMERGENCY MEASURES	Emergency measures organization Flood control Disaster control First aid and ambulance services
22900 OTHER	
22920 Protective Inspection	Building inspections Electrical inspections Plumbing inspections Gas inspections Trench inspections Other safety inspections
22930 Animal and Pest Control	
22990 Other	

23000 TRANSPORTATION SERVICES

ACCOUNT	NOTE
23100 COMMON SERVICES	
23110 Administration	Includes all administration costs including workman's compensation. This only to be if the transportation services are not administered by the general office.
23120 Engineering Services	Planning and surveying Maintenance engineering On-site supervision Bridge and culvert engineering Research, planning and design Other
23130 General Equipment	
23140 Small Tools and Equipment	
23150 Workshops, Yards and Other Buildings	
23160 Research Planning and Design	
23180 Liability Insurance	
23190 Other	
23200 ROAD TRANSPORT	Refer to 23110 if separate costing
23210 Administration	Refer to 23130 if separate costing
23220 Engineering	Roadway surfaces
23230 Roads and streets	Road allowances, Intersections and approaches Sidewalks Drainage ditches Storm sewers Street cleaning and flushing Snow and ice removal Other
23240 Bridges, Subways, Tunnels, Ferries and Grade Inspections	Bridges Bridge approaches Railway grade crossings Railway overpasses or underpasses Subways and tunnels Grade separations Ferries Ferry docks and approaches Other
23250 Street lighting	Street signs
23260 Traffic services	Traffic lane marking House numbering Traffic signals Railway crossing signals Other
23270 Parking	Parking metres (on streets and roads) Off street parking
23280 Motor Vehicle Inspections	
23290 Other Road Transport	

23000 TRANSPORTATION SERVICES

ACCOUNT	NOTE
23300 AIR TRANSPORT	
23310 Administration	refer to 23110 if separate costing
23320 Airports	
23390 Other	
23400 WATER TRANSPORT	
23410 Administration	refer to 23110 if separate costing
23420 Docks and Ports Facilities	
23490 Other	
23500 PUBLIC TRANSIT	
23510 Research, Planning and Design	
23590 Other	
23900 OTHER TRANSPORTATION	

24000 ENVIRONMENTAL HEALTH SERVICES

ACCOUNT		NOTE
24200	SEWAGE COLLECTION AND DISPOSAL	
24210	Administration	
24220	Sewage Collection Systems	
24230	Sewage Lift Stations	
24240	Sewage Treatment and Disposal	
24250	Comfort Stations	
24290	Other	
24300	GARBAGE AND WASTE COLLECTION AND DISPOSAL	
24310	Administration	
24320	Garbage and Waste Collection	
24330	Landfills	
24340	Incinerators	
24350	Recycling	
24390	Other	
24900	OTHER ENVIRONMENTAL HEALTH	
24910	Administration	
24920	Smoke Abatement	
24930	Other Air Pollution	
24940	Water Pollution Control	
24950	Other Pollution Control	
24960	Noise Abatement	
24990	Other	Derelict Vehicles

25000 PUBLIC HEALTH AND WELFARE SERVICES

ACCOUNT	NOTE
25100 PUBLIC HEALTH	Cemeteries and crematoriums
	Morgues
	General public health
	Occupational health
	Vital statistics
	Other
	Other public health
25300 HOSPITAL CARE	Hospital care (including care of indigents)
	Administration
	General hospitals
	Allied special hospitals
	Tuberculosis hospitals
	Mental hospitals
	Hospital insurance of indigents
	Grants to hospitals
	Other
25500 OTHER HEALTH	

26000 ENVIRONMENTAL DEVELOPMENT SERVICES

	ACCOUNT	NOTE
26100	ENVIRONMENTAL PLANNING AND ZONING	
26110	Planning Boards	
26120	Administration	Chief Planner Other administration
26130	Research and Planning	
26190	Other	
26200	COMMUNITY DEVELOPMENT	
26210	Administration	
26220	General Land Assembly	
26230	Urban Renewal Projects	
26240	Beautification and Land Rehabilitation	
26290	Other	
26300	HOUSING	
26310	Administration	
26340	Operation	
26390	Other	
26400	NATURAL RESOURCES DEVELOPMENT	
26420	Agriculture	Destruction of pests, protective inspections, weed control, drainage, assistance to agriculture, other
26430	Water resources & conservation	
26490	Other	Including Oil and Gas
26600	INDUSTRIAL PARKS	
26610	Administration	
26620	Assistance to Industrial Development	For assistance to Regional Development Authorities see account 28467
26690	Other	
26900	OTHER ENVIRONMENTAL DEVELOPMENT SERVICES	
26910	Tourism	Tourist bureau, tourist camps, promotion of tourist attractions, other tourism
26920	Public receptions	Convention facilities, promotion of convention facilities, other
26930	Markets	
26990	Other	

27000 RECREATION AND CULTURAL SERVICES

ACCOUNT		NOTE
27100	RECREATION FACILITIES	
27110	Administration	Recreation commissioner Other administration
27120	Community centres and halls	Includes grants from the municipality
27130	Swimming pools, beaches, marinas	
27150	Skating rinks and arenas	
27160	Amusement parks, exhibitions and fairs	
27170	Stadiums	
27180	Parks and playgrounds	
27190	Other	
27200	CULTURAL BUILDINGS AND FACILITIES	
27210	Administration	
27230	Historic sites	
27240	Art galleries, museums	
27250	Libraries	Only for local library, regional board in fiscal services
27260	Theatre, concert halls, auditoriums	
27270	Heritage properties	
27290	Other	
27500	OTHER RECREATION AND CULTURAL SERVICES	Film, radio, televisions Physical fitness Other service

28000 FISCAL SERVICES

ACCOUNT	NOTE
28100 DEBT CHARGES	
28110 Interest on short-term borrowings	From financial institutions From own funds and agencies From other governments From others Other short-term interest
28111 General operations interest	
28112 Temporary financing interest - capital projects	
28113 Interest or discount on current tax prepayments	
28120 Interest on long term debt	
28121 Debenture interest	On own debentures issued on own behalf On own debentures issued on behalf of own agencies On own debentures issued on behalf of other governments On debentures issued by other governments on behalf of reporting government
28122 Term loan interest	On long-term debt not secured by debentures, including capital lease interest
28130 Principal instalments or sinking fund requirements	
28131 Debenture principal	For own debentures on own behalf For own debentures issued on behalf of own agencies For own debentures issued on behalf of other governments For debentures issued by other governments on behalf of reporting government
28132 Term loan principal	For long-term debt not secured by debentures including capital lease principal
28133 Sinking fund requirement	
28134 Temporary financing principal - capital projects	
28190 Other debt charges	Debenture discounts Cost of issuing and selling new debentures Banking service charges Loss on sale of securities purchased as investments Loss on foreign exchange Other

28000 FISCAL SERVICES

ACCOUNT		NOTE
28200	TRANSFERS TO OWN RESERVES, FUNDS & AGENCIES	
28210	Valuation Allowances	
28211	Uncollectible Taxes	
28212	Other Doubtful Receivables	
28213	Unresolved assessment appeals	
28215	Deficit of Previous Years	
28219	Other	
28220	Other Funds	
28221	Capital Reserve Fund	
28223	Operating Reserve Fund	
28225	Special Purpose Tax Reserve Fund	
28227	General Capital Fund	
28229	Other	
28230	Own Agencies	
28231	Deficit or Levy for Water Utility	
28232	Deficit or Levy for Electric Utility	
28233	Deficit or Levy for Housing Corp.	
28239	Other	
28240	Own Agencies (Extraordinary)	
28300	UNCOND. TRANSFERS TO OTHER GOVTS & AGENCIES	
28320	Joint Expenditure Board	
28340	Other Local Governments	
28400	COND. TRANSFERS TO OTHER GOVTS & AGENCIES	
28410	General Government Services	
28420	Protective Services	
28421	Correctional Services	
28430	Transportation Services	
28440	Environmental Health Services	
28450	Public Health and Welfare Services	
28456	Deficit of Regional Housing Authority	
28457	Social Welfare	
28460	Environmental Development Services	
28461	Regional Planning	
28467	Regional Development Authorities	
28470	Recreation & Cultural Serv. & Education	
28472	Regional Library	
28477	Appropriation to Regional School Board	
28480	Fiscal Services	
28490	Other Services	
28800	TRANSMISSION OF TAXES COLLECTED FOR OTHER GOVERNMENTS	Village & Special Commission rates
28900	OTHER FISCAL SERVICES	

29000 FISCAL SERVICES

ACCOUNT	NOTE
29100 EXTRAORDINARY OR SPECIAL REVENUE ITEMS	Specify individual items using fourth position of code
29200 EXTRAORDINARY OR SPECIAL EXPENDITURE ITEMS	Specify individual items using fourth position of code

OPERATING FUND ASSET CLASSIFICATION SYSTEM

ACCOUNT		NOTE
31000	CASH ON HAND AND ON DEPOSIT	
31100	Cash on hand	
31200	Cash in chartered banks	
31210	Demand deposits	
31220	Term deposits	
31290	Other deposits	
31300	Cash in other financial institutions	
31310	Demand deposits	
31320	Term deposits	
31390	Other deposits	
32000	RECEIVABLES	
32100	Taxes	
32110	Taxes	
32120	Penalties and interest on taxes	
32130	Tax sale certificates	
32140	Tax arrears agreements	
32190	Other	
32200	Due from federal government and its agencies	
32210	Grants in lieu of taxes	
32220	Unconditional transfers	
32230	Conditional transfers	
32240	Other transfers	
32250	Grants in lieu of taxes (agencies x)	
32290	Other transfers (agencies x)	(x) Specify agency using fifth position of code
32300	Due from provincial or territorial government or its agencies	
32310	Grants in lieu of taxes	
32320	Unconditional transfers	
32330	Conditional transfers	
32340	Other transfers	
32350	Grants in lieu of taxes (agencies x)	
32390	Other transfers (agencies x)	(x) Specify agency using fifth position of code
32400	Due from hospitals (x)	
32410	Current instalments of debentures	
32490	Other	(x) Specify hospital using fifth position code
32500	Due from other local governments (x)	
32510	Grants in lieu of taxes	
32520	Recoveries for governmental services provided	
32530	Current instalments of debentures	
32590	Other	(x) Specify government using fifth position of code

OPERATING FUND ASSET CLASSIFICATION SYSTEM

ACCOUNT	NOTE
32600 Due from own funds and agencies (x)	
32610 Due from own funds	
32620 Due from own agencies	(x) Specify government using fifth position of code
OTHER RECEIVABLES	
32700 Trade accounts	Due from persons Due from business Due from federal government Due from federal government agencies Due from provincial or territorial government Due from provincial or territorial government agencies Due from hospitals Due from other local governments Due from own agencies
32800 Accrued receivables (x)	(x) Specify using fourth position of code
32900 Other receivables	
33000 INVESTMENTS	
33100 Federal government and its agencies	Treasury bills (Canada) Canada savings bonds Other Canada bonds Other federal government securities Guaranteed bonds or debentures of federal agencies Non-guaranteed bonds or debentures of federal agencies Capital stock of federal agencies National Housing Act mortgages Other securities of federal agencies
33200 Provincial or territorial government and its agencies	Treasury bills or notes (government) Savings bonds (government) Other securities (government) Bonds and debentures (agency)-guaranteed Bonds and debentures (agency)-non-guaranteed Capital stock (agency) Other securities (agency)
33300 Hospitals	Notes - Guaranteed by provincial or territorial government or its agencies Notes - Other Debentures-Guaranteed by provincial or territorial government or its agencies Debentures-Other Other securities

OPERATING FUND ASSET CLASSIFICATION SYSTEM

ACCOUNT	NOTE
33400 Other local governments and their agencies	Notes-Guaranteed by provincial or territorial government or its agencies Notes - Other Debentures-Guaranteed by provincial or territorial government or its agencies Debentures - Other Capital stock of agencies Other securities
33500 Own municipality	Notes-Guaranteed by provincial or territorial government or its agencies Notes - Other Debentures-Guaranteed by provincial or territorial government or its agencies Debentures - other Other securities
33600 Own agencies	Notes - Guaranteed by provincial or territorial government or its agencies Notes - Other Debentures - Guaranteed by provincial or territorial government or its agencies Debentures - Other Capital stock Other securities
33900 Other investments	
34000 LOANS AND ADVANCES	
34100 Short-term (original term of one year or less)	Due from: Own funds Own agencies Other local governments Hospitals Business Persons Other
34200 Long-term	Due from: Own agencies Other local governments Hospitals Business Persons Other

OPERATING FUND ASSET CLASSIFICATION SYSTEM

ACCOUNT		NOTE
35000	TANGIBLE ASSETS	
35100	Inventories	
35200	Properties Acquired at Tax Sale	
35210	Fixed assets acquired for taxes and subject to redemption	
35220	Fixed assets acquired for taxes and deeded to the municipality	
35900	Other tangible assets	
37000	OTHER ASSETS	
37100	Prepaid expenses	
37200	Deferred charges	
37300	Trust and other deposits (x)	(x) Specify using fourth position of code
37900	Other assets	

OPERATING FUND LIABILITY AND EQUITY CLASSIFICATION SYSTEM

ACCOUNT		NOTE
41000	SHORT TERM BORROWINGS (ORIGINAL TERM OF ONE YEAR OR LESS)	
41100	From chartered banks	
41110	For current purposes	
41120	For capital purposes	
41200	From other financial institutions	
41210	For current purposes	
41220	For capital purposes	
41300	From own funds (x)	
41400	From own agencies (x)	
41500	From other local governments (x)	
41600	From provincial or territorial government or its agencies (x)	
41700	From federal government or its agencies(x)	
41900	Other temporary borrowings	(x) Specify fund, agency or government using fourth position of code, and where required, purpose using fifth position of code
42000	PAYABLES	
42100	Federal	
42110	Federal government	
42120	Federal government agency (x)	
42200	Provincial or territorial	
42210	Provincial or territorial government	
42220	Provincial or territorial government agency (x)	
42300	Other local governments (x)	
42310	Grants in lieu of taxes	
42320	Due for governmental services received	
42390	Other	(x) Specify agency or government using fifth position of code
42400	Own funds and agencies (x)	
42410	Due to own funds	
42420	Due to own agencies	
42490	Other	(x) Specify agency using fifth position of code Persons Business Own agencies Other local governments Provincial or territorial government or its agencies Federal government or its agencies Other
42500	Trade accounts	

OPERATING FUND LIABILITY AND EQUITY CLASSIFICATION SYSTEM

	ACCOUNT	NOTE
42600	Debenture instalments-current	Matured principal and interest outstanding Unmatured debentures issued on own behalf Unmatured debentures issued on behalf of own agencies Unmatured debentures issued on behalf of other local governments Unmatured debentures issued on behalf of reporting government by other governments Other
42700	Accrued payables-specify	
42900	Other payables	
44000	OTHER LIABILITIES	
44200	Prepayments of taxes	
44300	Unexpended special assessments	
44500	Deferred revenue - other	
44600	Trust and deposit liabilities-specify	
44900	Other liabilities	
45000	ASSET VALUATION ALLOWANCES	
45100	For uncollectible taxes	
45200	For other doubtful receivables	
45300	Unresolved assessment appeals	
45900	Other allowances	
49000	SURPLUS AND OTHER EQUITY	

CAPITAL FUND ASSET CLASSIFICATION SYSTEM

ACCOUNT	NOTE
31000 CASH ON HAND AND ON DEPOSIT	
32000 RECEIVABLES	
32200 Due from federal government and its agencies	
32230 Conditional transfers	
(Specify)	
(Specify)	
32300 Due from provincial government and its agencies	
32330 Conditional transfers	
(Specify)	
(Specify)	
(Specify)	
(Specify)	
32500 Due from other local governments	
(Specify)	
(Specify)	
32600 Due from own funds and agencies	
32610 Due from own funds (x)	
3261_ (Specify)	
3261_ (Specify)	
32620 Due from own agencies (x)	
3262_ (Specify)	
3262_ (Specify)	(x) Specify fund or agency using the fifth position of code
32700 Trade accounts	
32800 Accrued receivables	
32900 Other receivables	
33000 INVESTMENTS	
34000 LOANS AND ADVANCES	
34100 Short term	
34200 Long term	
35000 TANGIBLE ASSETS	
35300 Fixed assets	Includes capital leases
35400 Works in progress	
35900 Other tangible assets	
36000 DEBT CHARGES RECOVERABLE	
37000 OTHER ASSETS	
37300 Properties Acquired at Tax Sale	
39000 DEFERRED RECOVERIES	

CAPITAL FUND LIABILITY AND EQUITY CLASSIFICATION SYSTEM

ACCOUNT		NOTE
41000	SHORT TERM BORROWINGS	
42000	PAYABLES	
42100	Federal	
42110	Federal government	
42120	Federal government agency	
42200	Provincial	
42210	Provincial government	
42220	Provincial government agency	
42300	Other local government	
42310	(Specify)	
42320	(Specify)	
42400	Own funds and agencies	
42410	Due to own funds (x)	
42411		
42412		
42420	Due to own agencies (x)	
42421		
42422		(x) Specify agency using fifth position of code
43000	LONG-TERM DEBT	
43100	Debentures Issued to Federal Government or its Agencies	
43200	Debentures Issued to Provincial	
43400	Other Debentures	
43500	Other Long-term Borrowings (I.e. Borrowing bank or reserves Borrowing Provincial Government special Assistance capital leases)	
44000	OTHER LIABILITIES	
47000	EQUITY IN FIXED ASSETS	
	TOTAL	

MANUAL REVISIONS

MARCH, 1999

PAGE NUMBER	REASON FOR CHANGE
ii	Additions/changes to Table of Contents
iii	Additions/changes to Table of Contents
iv	Additions/changes to Table of Contents
v	Additions/changes to Table of Contents
vi	Additions/changes to Table of Contents
viii	Additions/changes to Table of Contents
1000	Reword Authority section. Reference to the Act has changed due to the new Municipal Government Act Section 451. Department name change. Reference to local boards changed to committees, boards, authorities or other such entities. Reference to PSAB Handbook added.
2020	Reference to municipal enterprises deleted as per new Act. See Sections 539-542 of the Municipal Government Act.
2030	Reference to School Funds deleted. Special removed from Reserve Funds. Reserve Funds now structured to include three sections: Capital, Operating and Special Purpose Tax. See Section 99 of the Municipal Government Act. Note - added "beneficially".
2060	Reference to municipal enterprises deleted as per new Act. See 2020.
2080	Senior government replaced by federal and provincial governments.
2090	Changes in financial position revised to cash flow.
2100	Restructured to include "Mandatory" and "Recommended" statements. Reference to commission, committee or board changed to committee, board, authority or other such entity. Changes in financial position revised to cash flow.
2105	Amended to include description of exemptions granted under Section 1000 of the manual.
2110	Reference to boards and commissions changed to committees, boards, athorities or other such entities.

MANUAL REVISIONS

MARCH, 1999

PAGE NUMBER	REASON FOR CHANGE
2120	Reference to commission, committee or board changed to committee, board, authority or other such entity.
3030	Interest to be accrued on uncollected taxes. See Section 113 (3) of the Municipal Government Act.
3040	Area Rates can now be set by all municipalities on all types of assessable property by a levy or a uniform charge as outlined in Section 75 of the Municipal Government Act. Capital loans may be made to registered fire and emergency services organizations. Delete third paragraph reference to deferred capital.
3045	Special assessments may be determined by a plan and now include lot levies and infrastructure charges (Sections 274-276 of the Municipal Government Act).
3050	Department name change. Special removed from Reserve Funds reference.
3060	Second paragraph deleted
3080	Income earned on investments remains in funds unless the council otherwise provides. See Section 100 of Municipal Government Act.
3090	Vested property no longer a reference point in Nova Scotia. Special Reserve Fund changed to Capital Reserve Fund, Section 99 of the Municipal Government Act. Accounting for properties currently recorded in the operating fund.
3100, Page 1 of 2	Amended to include lagoons and compost bins. Insert "maximum" into useful life guidelines.
3105	Reorganize to divide Landfill into three separate sections. Closure/Post Closure 3105; Operating Expenditures 3106 and Capital 3107.
3105, Page 2 of 3	Change Special Reserve Fund-Capital Reserve Section to Capital Reserve Fund.
3106, Page 1 of 4	Amended to replace "use" with volume and metric use, i.e. cubic metres. Add reference to PSAB 3270

MANUAL REVISIONS

MARCH, 1999

PAGE NUMBER	REASON FOR CHANGE
3106, Page 1 of 5	Add: Expenditure calculations when an inter-municipal service agreement exists.
3106, Page 2 of 5	Reorganized and rewrote transitional provisions to reflect differences between landfills with useful life beyond March 2006 and before March 2006.
3106, Page 3 of 5	Add: Examples - Accounting for landfill closure/post closure.
3110	Deleted. Capital Leases are now included with Section 4030.
3120	Board of Commissioners of Public Utilities changed to Utility and Review Board.
3125	NEW. Long Term Commitments description and approval required of cumulative commitments of $100,000 by the Minister of Housing and Municipal Affairs. See Section 88(4) of the Municipal Government Act. Added note to reference regulation defining "commitment"
3130	Remove reference to taxes outstanding.
3140	Transitional Provision removed from the section as the period for transition is over.
3170, Pages 1-3	Section reorganized. Assessment appeals to be included in valuation allowances. Municipal council is now required as a minimum to have a tax sale as outlined in Section 134 of the Municipal Government Act. Uncollectible taxes may be written off by resolution of Council, Section 38 of Municipal Government Act.
3180	Department name change. Maximum changed from 95% to 90% and minimum from 5% to 10%. See Section 92(2) of the Municipal Government Act.
3190	Capital Reserve Section changed to Capital Reserve Fund. Tax Sale Surplus to be held in trust for 20 years formerly 5 years.
3210	Reference to boards changed to committees, boards, authorities or other such entities. Capital Reserve Section changed to Capital Reserve Fund.

MANUAL REVISIONS

MARCH, 1999

PAGE NUMBER	REASON FOR CHANGE
3240, Page 1 - 2	Reference to Special Reserve Funds changed to Capital Reserve Fund. Additional sources required by legislation to be placed in the capital reserve fund are funds received from sale of property, tax sale surplus after twenty years current year's accrual for landfill closure and post closure costs and amounts transferred to the fund by Council. Council may borrow from the capital reserve fund under certain conditions. Capital Reserve Section and Equipment Reserve Section are now part of the Capital Reserve Fund. See Section 99 of the Municipal Government Act. Need for separate bank accounts deleted.
3241	Equipment Reserve Section now part of Capital Reserve Fund. NEW Special Purpose Tax Reserve Fund added to reserve funds. These funds are restricted to special tax revenue raised by Council for a specific purpose. It includes conditions for surplus and borrowing. See Section 83 in the Municipal Government Act.
3242	Operating reserve section is now operating reserve fund. Resolution passing budget is sufficient from withdrawal for operating purpose.
3255	Reference to CICA Handbook changed to Section 3461, Employee Future Benefits
4003, Pages 1-8	Goods and Services Tax Accounting revised to reflect the Harmonized Sales Tax Accounting. The non rebateable portion of the HST (42.86%) to be charged to the applicable operating expenditure account of the good or service purchased instead of a "Harmonized Sales Tax" expenditure account.
4010	Amended to change word from"are not" to" need not"
4020	Proceeds on the sale of any capital asset are to be transferred to the Capital Reserve Fund. Expanded description of when repairs are to be capitalized.
4025	Reference to equity in a provincial hospital has been deleted.

MANUAL REVISIONS

MARCH, 1999

PAGE NUMBER	REASON FOR CHANGE
4030, Page 2 of 2	Amended to include the accounting treatment of a capital lease fromthe deleted Section 3110. Add reference to Ministerial approval for commitments over
$100,000.	
4040	Percentage of allocation changed from 9% to 14%.
4045	NEW. Long term Deferred Charges where the municipality does not acquire the capital asset, i.e tree removal and contributions to hospitals. See section 66 of Municipal Government Act.
4050	Reference to District School Boards changed to Regional School Boards. Special Reserve Funds changed to Capital Reserve Funds.
4055	Deleted. Industrial Commissions no longer exist, Section 540 of the Municipal Government Act
4060	Reference to commission, committee or board changed to committee, board, authority or other such entity.
5010 auditors.	Reference to Municipal Government Act Section 457, rewording of eligible
5020	Department name change. Filing date of auditor's report changed from June 30 to July 31.
5021	Reference to cash flow replaces changes in financial position.
5022	Change "General" Accepted Auditing Standards to "Generally" Special Funds changed to Reserve Funds.
5030, Page 1 of 2	Department name change. Examination standards have changed in 4(b).See Section 88 of Municipal Government Act.
5030, Page 2 of 2	Reporting Standards refers to cash flow replaces changes in financial position.
5040, Page 2 of 4	Responsibilities and Functions - committee constituted by "Policy of council
5040, Page 3 of 4	Related to Work of Auditor - obtain "and review" management letter
6010, Page 2 of 4	Delete municipal enterprises Change special funds to reserve funds

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PAGE NUMBER	REASON FOR CHANGE
6010, Page 3 of 4	Reference to Vested Property changed to Property Acquired at Tax Sale. Delete reference to municipal enterprises
6010, Page 4 of 4	Delete reference to municipal enterprises
6030, Page 1 of 4	Delete reference to municipal enterprises
6030, Page 2 of 4	Department name change. Delete reference to municipal enterprises.
6030, Page 3 of 4	Delete reference to municipal enterprises Item 8. Add - Disclose amounts of guarantees. Item 9. Disclosure requirements changes to only members of Council and Chief Administrative Officer. See Section 42(6) of the Municipal Government Act.
6040, Page 1 of 2	Delete reference to municipal enterprises
7010	Delete Consolidated Financial Statements, ABC Rink Commission, ABC Industrial Commission, ABC Business Improvement DistrictCommission.
Section A 7030-7090	Deleted sample consolidated financial statements, please follow guidelines under Standards of Financial Presentation.
Section A 7100-7300	New Section A is now the sample non consolidated financial statements revised to reflect changes in chart of Accounts.
Section C 7310-7370	Deleted. Sample Rink Commission Financial Statements no longer applicable. See Section 542 of the Municipal Government Act.
7250	Separate Balance Sheets and Statements for Capital Reserve Fund, Operating Reserve Fund and Special Purpose Tax Reserve Fund.
Section B 7380-7450	New Section B is now the sample Guest Home Financial Statements.
Section E 7460-7520	Deleted. Sample Industrial Commission Financial Statements no longer applicable. See Section 540 of the Municipal Government Act.

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PAGE NUMBER	REASON FOR CHANGE
Section F 7530-7580	Deleted. Sample Business Improvement District Commission Financial Statements no longer applicable . See Section 539 of the Municipal Government Act.
Chart of Accounts 8000	Chart of Accounts revised as a result of change in Municipal Government Act.
8001, Page 2 of 4	Delete words community and education.
8030	Delete 46000 Reserves account.
8040	Delete Account 11123 Commercial Equipment Delete Account 11182 Protective Services (Section 0B[3]) Add Account 11186 Environmental Development\ Delete Account 11190 Other - Not Used Replace Description for Account 11292 with Transportation Services
8090	Account 16280, add Housing to department name.
8100, Page 2 of 2	Delete Account 17558 Home Care Program Delete Account 17584 Public Hospitals Delete Account 17526 Building Inspection
8120	Account 19330, add note Solid Waste Authorities
8130, Page 1 of 2	Change community to cultural under basic functions. Add housing tothe Department 's name.
8140, Page 1 of 2	Change reference of Reduced Taxes Widows to Section 69 and other reduced taxes to Section 71.
8170	Account 24330 change name from Municipal Dumps to Landfills.
8180, Page 1 of 2	Delete Board of Health and other "Notes" for services transferred to the Province.
8180, Page 2 of 2	Delete Accounts 25710, 25720, 25731 Social Services transferred to the province.
8190	Delete Accounts 26500-26590 Regional Development Commissions. Delete "and Commissions" from Account 26600.

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PAGE NUMBER	REASON FOR CHANGE
8210, Page 2 of 2	Change description of Account 28221 to Reserve Fund- Capital Reserve Delete Account 28222 to Special Reserve Fund- Equipment Reserve Section. Now in Capital Reserve. Change description of Account 28223 to Reserve Fund- Operating
Reserve.	Add Account 28225 Reserve Fund-Special Purpose Tax Reserve. Delete Account 28235 Levy for Business Improvement District. Delete Account 28236 for Levy for Industrial Commission. And note. Delete Account 28455 Regional Housing Corporation Add Account 28457 Social Welfare Delete Account 28466 Joint or Regional Industrial Commission Add Account 28467 to Regional Development Authorities
8230, Page 2 of 2	Delete Accounts 46000-46900 Reserves.
8240	Add Account 37300 Properties Acquired at Tax Sale
8250	Change description of Account 43500 to Reserves from Special reserves.
10000	Delete Interpretation Bulletin

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PAGE NUMBER	REASON FOR CHANGE
1000	Change Department Name Add "the Minister's" to line 2 of paragraph 5
3050	Change Department Name
3106, Page 2 of 5	Change Department Name
3106, Page 3 of 5	Correct Fund name
3106, Page 4 of 5	Correct Fund names
3106, Page 5 of 5	Correct Fund names
3125	Change Department Name
3170	Section rewritten to comply with Public Sector Accounting Board recommendations and generally accepted accounting principles
3180	Change Department Name
4030, Page 2 of 2	Change Department Name
5010, Page 1 of 2	Change Department Name
5020	Change Department Name
5030, Page 1 of 2	Change Department Name
5040, Page 4 of 4	Change Department Name
6030, Page 2 of 4	Change Department Name
7110	Change page number references
7140	to reflect changes to section 3170
7190, Page 4 of 15	Change Department Name
7270, Page 1 of 9	Change Department Name
7270, Page 6 of 9	To reflect changes to section 3170
7270, Page 8 of 9	Change Department Name

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PAGE NUMBER	REASON FOR CHANGE
7290	Change page references
7450	Change Department Name
8090	Change Department Name
8130, Page 1 of 2	Change Department Name
8190	Add "Including Oil and Gas" to notes for 26490 Other
8210, Page 2 of 2	Change account number for General Capital fund from 28224 to 28227